



# Auditor's Report

(TRANSLATION)

**To : The Board of Directors of Electricity Generating Authority of Thailand**

The Office of the Auditor General of Thailand has audited the accompanying consolidated financial statements of Electricity Generating Authority of Thailand and its subsidiaries, and separate financial statements of Electricity Generating Authority of Thailand, which comprise the consolidated and separate statements of financial position as at December 31, 2015, and the consolidated and separate statements of income, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in owners' equity and the consolidated and separate statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's Responsibility for the Consolidated and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

The Office of the Auditor General of Thailand's responsibility is to express an opinion on these consolidated and separate financial statements based on the audit. The Office of the Auditor General of Thailand conducted the audit in accordance with Thai Standards on Auditing. Those standards require that the Office of the Auditor General of Thailand comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated and separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated and separate financial statements.

*Office of the Auditor General*

*March 21, 2016*

The Office of the Auditor General of Thailand believes that the audit evidence the Office of the Auditor General of Thailand has obtained is sufficient and appropriate to provide a basis for the Office of the Auditor General of Thailand's audit opinion.

### **Opinion**

In The Office of the Auditor General of Thailand's opinion, the above mentioned consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of Electricity Generating Authority of Thailand and its subsidiaries, and separate financial position of Electricity Generating Authority of Thailand, respectively, as at December 31, 2015, and their consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

**(Signed) Sirin Phankasem**

Deputy Auditor General

**(Sirin Phankasem)**

Director of Financial Audit Office No. 8.

*Office of the Auditor General*

*March 21, 2016*





# Financial Statements

## ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

### STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

Unit : Baht

	Notes	Consolidated financial statement		Separate financial statement	
		Dec 31, 15	Dec 31, 14 (Restated)	Dec 31, 15	Dec 31, 14
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6.1	72,647,548,544	62,646,069,258	64,932,129,035	51,832,088,359
Temporary investments	6.2	30,403,119,804	28,913,145,753	23,869,298,227	24,014,555,179
Trade accounts receivable - others	6.3	63,056,150,509	63,158,336,273	62,517,522,610	62,731,676,854
Trade accounts receivable - related parties	6.4.1	1,807,499,712	2,541,045,879	2,303,805,798	2,898,377,884
Other accounts receivable	6.6	10,190,145,618	7,456,742,881	9,419,911,207	7,054,532,164
Materials and supplies	6.7	12,092,490,602	13,382,524,484	10,141,786,762	10,725,339,295
Other current assets					
Others		1,789,129,656	1,807,343,030	-	-
Total current assets		191,986,084,445	179,905,207,558	173,184,453,639	159,256,569,735
NON - CURRENT ASSETS					
Investments in subsidiaries	6.8.4	-	-	12,913,350,000	11,167,350,000
Investments in associates	6.8.3, 6.8.4	20,862,950,612	19,904,547,926	1,587,550,233	1,587,550,233
Investments in joint ventures	6.8.3, 6.8.4	16,755,326,356	10,535,687,888	584,500,000	584,500,000
Other long - term investments		10,099,986,459	4,064,689,625	5,370,162,500	-
Long - term loans to related parties	6.4.2	47,294,940	43,195,812	-	-
Finance lease assets		285,272,614,493	178,108,306,597	285,272,614,493	178,108,306,597
Property, plant and equipment	6.9	273,251,440,038	259,020,269,678	259,366,264,470	244,109,227,418
Work under construction	6.10	35,674,128,851	45,600,873,587	35,671,208,851	45,590,905,814
Goodwill	6.11	299,469,555	273,532,776	-	-
Other intangible assets	6.12	28,858,624,653	28,636,411,334	24,770,216,511	24,251,627,818
Land awaiting development	6.13	2,125,289,755	2,134,160,622	1,816,082,185	1,816,082,185
Project development cost for collection		473,754,681	344,983,683	-	-
Deferred tax assets	6.14.2	107,382,133	51,617,195	-	-
Deposit for deferred revenue for electricity compensation		7,383,135,509	3,288,003,586	7,383,135,509	3,288,003,586
Other non - current assets	6.15	3,427,918,257	3,053,554,414	2,418,864,547	1,523,686,059
Total non - current assets		684,639,316,292	555,059,834,723	637,153,949,299	512,027,239,710
TOTAL ASSETS		876,625,400,737	734,965,042,281	810,338,402,938	671,283,809,445

Notes to the financial statements are an integral part of these financial statements.

**ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT DECEMBER 31, 2015**

**Unit : Baht**

	<u>Notes</u>	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
		<u>Dec 31, 15</u>	<u>Dec 31, 14</u>	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>
			(Restated)		
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Trade accounts payable - others	6.16	52,698,139,594	54,503,087,480	45,716,636,792	45,693,812,700
Trade accounts payable - related parties	6.4.3	8,285,578,968	7,610,728,910	16,559,695,125	17,968,105,954
Surplus revenue from electric energy sales					
according to automatic tariff adjustment (Ft)	6.5	7,022,818,454	4,872,377,719	7,022,818,454	4,872,377,719
Other accounts payable		10,717,727,170	10,840,089,778	9,666,654,151	9,236,264,176
Short - term loans		1,900,000,000	4,800,000,000	-	-
Accrued interest expenses		1,514,231,946	1,189,752,792	1,128,913,791	878,695,528
Accrued remittance to the Ministry of Finance	6.17	6,213,985,440	8,380,707,819	6,213,985,440	8,380,707,819
Accrued expenses		5,725,683,555	5,203,300,540	5,710,022,905	5,187,061,774
Current portion of long - term loans	6.18	6,814,543,369	8,827,995,292	5,584,598,046	8,076,716,135
Current portion of loan from infrastructure fund	12	414,476,205	-	414,476,205	-
Current portion of finance lease liabilities - Power plants	6.19	14,576,950,225	10,221,931,977	17,772,499,641	13,649,524,047
Current portion of finance lease liabilities - others		10,608,887	3,667,464	9,831,130	2,051,705
Other current liabilities					
Others		42,419,509	68,050,678	-	-
<b>Total current liabilities</b>		<b>115,937,163,322</b>	<b>116,521,690,449</b>	<b>115,800,131,680</b>	<b>113,945,317,557</b>
NON - CURRENT LIABILITIES					
Long - term loans from related parties	6.4.4	1,071,599,090	1,095,464,557	-	-
Long - term loans	6.18	67,930,136,853	71,950,949,302	50,607,867,530	56,203,902,463
Loan from infrastructure fund	12	20,440,523,795	-	20,440,523,795	-
Advance receive from related party		-	7,903,089	-	-
Deferred tax liabilities	6.14.2	1,958,311,454	1,765,326,301	-	-
Finance lease liabilities - Power plants	6.19	250,600,764,035	136,395,267,311	275,596,009,579	164,586,062,271
Finance lease liabilities - others		42,765,175	2,451,454	41,430,378	422,900
Employee benefit obligations	6.20	15,396,261,912	14,579,788,228	15,269,984,842	14,469,212,516
Provision liabilities for mine reclamation	6.21	2,169,269,052	2,141,000,116	2,169,269,052	2,141,000,116
Deferred revenue for electricity compensation	6.5	7,552,733,132	3,386,830,541	7,552,733,132	3,386,830,541
Other non - current liabilities	6.22	12,961,444,366	14,255,018,674	12,918,151,932	13,923,916,258
<b>Total non - current liabilities</b>		<b>380,123,808,864</b>	<b>245,579,999,573</b>	<b>384,595,970,240</b>	<b>254,711,347,065</b>
<b>TOTAL LIABILITIES</b>		<b>496,060,972,186</b>	<b>362,101,690,022</b>	<b>500,396,101,920</b>	<b>368,656,664,622</b>

Notes to the financial statements are an integral part of these financial statements.



ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

Unit : Baht

	<u>Notes</u>	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
		<b>Dec 31, 15</b>	<b>Dec 31, 14</b>	<b>Dec 31, 15</b>	<b>Dec 31, 14</b>
			<b>(Restated)</b>		
<b>LIABILITIES AND EQUITY</b>					
<b>OWNERS' EQUITY</b>					
Contribution from the government	6.23	8,877,312,290	8,939,645,054	8,877,312,290	8,939,645,054
Surplus from royalty on state property service		207,548,321	213,885,677	207,548,321	213,885,677
Retained earnings					
Appropriated					
Capital expenditure appropriation		80,186,366,913	80,186,366,913	80,186,366,913	80,186,366,913
Unappropriated		256,438,981,712	248,361,039,089	222,404,360,917	214,725,053,427
Other components of owners' equity		1,283,282,466	1,077,881,054	(1,733,287,423)	(1,437,806,248)
<b>TOTAL EQUITY ATTRIBUTABLE TO EGAT</b>		<b>346,993,491,702</b>	<b>338,778,817,787</b>	<b>309,942,301,018</b>	<b>302,627,144,823</b>
<b>NON - CONTROLLING INTERESTS</b>		<b>33,570,936,849</b>	<b>34,084,534,472</b>	<b>-</b>	<b>-</b>
<b>TOTAL OWNERS' EQUITY</b>		<b>380,564,428,551</b>	<b>372,863,352,259</b>	<b>309,942,301,018</b>	<b>302,627,144,823</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>876,625,400,737</b>	<b>734,965,042,281</b>	<b>810,338,402,938</b>	<b>671,283,809,445</b>

Notes to the financial statements are an integral part of these financial statements.

(signed) Soonchai Kumnoonsate

(Mr. Soonchai Kumnoonsate)

Director and Governor

(signed) Chartchai Rojanaratanangkule

(Mr. Chartchai Rojanaratanangkule)

Deputy Governor - Account and Finance

**ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES**

**STATEMENTS OF INCOME**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

**Unit : Baht**

	<u>Notes</u>	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
		<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
			<b>(Restated)</b>		
<b>REVENUES</b>					
Revenue from electric energy sales		531,713,218,510	535,911,514,659	529,615,089,755	533,786,404,632
Revenue from sales of other goods and services	6.24	14,767,114,889	21,168,666,895	16,684,299,779	23,385,655,408
<b>Total revenue from sales and services</b>		<b>546,480,333,399</b>	<b>557,080,181,554</b>	<b>546,299,389,534</b>	<b>557,172,060,040</b>
<b>COST OF SALES</b>					
Cost of electric energy sales	6.25	444,390,686,106	459,664,473,180	443,972,498,169	459,204,806,181
Cost of sales of other goods and services	6.26	13,047,887,756	19,480,726,843	14,968,419,751	21,870,922,876
<b>Total cost of sales and services</b>		<b>457,438,573,862</b>	<b>479,145,200,023</b>	<b>458,940,917,920</b>	<b>481,075,729,057</b>
<b>GROSS PROFIT</b>		<b>89,041,759,537</b>	<b>77,934,981,531</b>	<b>87,358,471,614</b>	<b>76,096,330,983</b>
OTHER REVENUES	6.27	3,399,952,590	6,572,582,114	4,875,792,910	6,323,389,785
<b>PROFIT BEFORE EXPENSES</b>		<b>92,441,712,127</b>	<b>84,507,563,645</b>	<b>92,234,264,524</b>	<b>82,419,720,768</b>
SELLING EXPENSES		190,528,879	148,585,269	186,704,345	146,353,489
ADMINISTRATIVE EXPENSES		16,675,736,758	16,937,713,690	14,915,556,003	14,664,043,570
OTHER EXPENSES	6.28	12,030,597,918	455,628,286	11,016,177,150	332,096,719
<b>TOTAL EXPENSES</b>		<b>28,896,863,555</b>	<b>17,541,927,245</b>	<b>26,118,437,498</b>	<b>15,142,493,778</b>
<b>FINANCE COSTS</b>	6.29	<b>31,697,894,960</b>	<b>25,679,054,425</b>	<b>35,335,579,946</b>	<b>29,700,173,346</b>
PROFIT BEFORE SHARE OF PROFIT FROM INVESTMENTS		31,846,953,612	41,286,581,975	30,780,247,080	37,577,053,644
SHARE OF PROFIT FROM INVESTMENTS IN ASSOCIATES	6.30	1,409,724,057	1,387,428,327	-	-
SHARE OF PROFIT FROM INVESTMENTS IN JOINT VENTURES		908,930,197	1,079,086,396	-	-
<b>PROFIT BEFORE INCOME TAXES</b>		<b>34,165,607,866</b>	<b>43,753,096,698</b>	<b>30,780,247,080</b>	<b>37,577,053,644</b>
INCOME TAXES	6.14.1	1,407,724,577	1,269,377,123	-	-
<b>PROFIT FOR THE YEAR</b>		<b>32,757,883,289</b>	<b>42,483,719,575</b>	<b>30,780,247,080</b>	<b>37,577,053,644</b>
<b>PROFIT (LOSS) ATTRIBUTABLE TO:</b>					
OWNERS OF EGAT		31,178,882,213	39,162,180,875	30,780,247,080	37,577,053,644
NON - CONTROLLING INTERESTS		1,579,001,076	3,321,538,700	-	-
		<b>32,757,883,289</b>	<b>42,483,719,575</b>	<b>30,780,247,080</b>	<b>37,577,053,644</b>

Notes to the financial statements are an integral part of these financial statements.

*(signed) Soonchai Kumnoonsate*

**(Mr. Soonchai Kumnoonsate)**  
Director and Governor

*(signed) Chartchai Rojanaratanangkule*

**(Mr. Chartchai Rojanaratanangkule)**  
Deputy Governor - Account and Finance





**ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

Unit : Baht

	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
		(Restated)		
<b>PROFIT FOR THE YEAR</b>	<u>32,757,883,289</u>	<u>42,483,719,575</u>	<u>30,780,247,080</u>	<u>37,577,053,644</u>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
<b>ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS</b>				
<b>IN SUBSEQUENT PERIODS</b>				
Exchange rate differences from currency translation	101,667,509	(1,194,128,786)	-	-
Loss on cash flow hedge	(117,768,649)	(105,465,824)	-	-
Gain (loss) on available - for - sale investments valuation	(372,198,253)	567,381,248	156,412,500	-
Share of other comprehensive income (loss) of associates	780,630,511	(104,925,206)	-	-
Share of other comprehensive income (loss) of joint ventures	(94,970)	78,056	-	-
<b>ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR</b>				
<b>LOSS IN SUBSEQUENT PERIODS</b>				
Actuarial loss	(450,316,233)	(359,822)	(451,893,675)	-
Share of other comprehensive loss of associates	(19,727,168)	-	-	-
Share of other comprehensive income of joint ventures	934,966	-	-	-
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
<b>FOR THE YEAR-NET OF TAXES</b>	<u>(76,872,287)</u>	<u>(837,420,334)</u>	<u>(295,481,175)</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u><u>32,681,011,002</u></u>	<u><u>41,646,299,241</u></u>	<u><u>30,484,765,905</u></u>	<u><u>37,577,053,644</u></u>
<b>PROFIT (LOSS) ATTRIBUTABLE TO:</b>				
<b>OWNERS OF EGAT</b>	31,384,283,625	38,781,663,563	30,484,765,905	37,577,053,644
<b>NON - CONTROLLING INTERESTS</b>	<u>1,296,727,377</u>	<u>2,864,635,678</u>	<u>-</u>	<u>-</u>
	<u><u>32,681,011,002</u></u>	<u><u>41,646,299,241</u></u>	<u><u>30,484,765,905</u></u>	<u><u>37,577,053,644</u></u>

Notes to the financial statements are an integral part of these financial statements.

(signed) Soonchai Kumnoonsate

(Mr. Soonchai Kumnoonsate)

Director and Governor

(signed) Chartchai Rojanaratanangkule

(Mr. Chartchai Rojanaratanangkule)

Deputy Governor - Account and Finance

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Notes to the financial statements are an integral part of these financial statements.





**ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

Unit : Baht

	Notes	Consolidated financial statement		Separate financial statement	
		2015	2014 (Restated)	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income of EGAT		31,178,882,213	39,162,180,875	30,780,247,080	37,577,053,644
Adjustments to reconcile net income to net cash inflow (outflow)					
from operating activities					
Depreciation		25,261,125,822	25,572,382,972	24,212,338,221	24,459,091,934
Depreciation of finance lease assets - Power plants	6.32	13,164,672,950	11,336,178,674	13,164,672,950	11,336,178,674
Donation assets		(14,590)	-	(14,590)	-
Loss on donated assets		851,923	9,228,715	851,923	9,228,715
Amortization of land rights and project development rights		265,979,681	296,121,074	896,061	853,727
Amortization of computer software rights		236,429,935	235,643,669	219,763,750	218,758,129
Amortization of royalty on state property service		6,337,356	6,337,356	6,337,356	6,337,356
Amortization of transmission system connection rights		3,014,155	3,712,103	-	-
Allowance for diminution in value of inventories, materials and supplies		356,380,953	348,710,244	148,428,385	145,712,215
Loss on impairment of property, plant and equipment		-	134,176,015	-	-
Loss on impairment of goodwill		-	375,367,356	-	-
Amortization of deferred charges of the lignite mine		5,926,443,274	6,108,101,571	5,926,443,274	6,108,101,571
Doubtful debts		(591,836)	(7,802,704)	(591,836)	(7,802,704)
Bad debts		605,512	6,983,411	605,512	6,983,411
(Gain) loss on revaluation of investments in trading securities		723,799	(2,113,492)	-	-
Gain on disposal of investments in joint ventures		-	(10,942,000)	-	-
(Profit) loss on disposal of assets	6.27,6.28	(119,917,379)	(277,412,441)	2,530,120	(277,609,858)
Revenue from deferred income	6.22	(347,191,727)	(311,013,901)	(347,191,727)	(311,013,901)
Employee benefit expense realized from estimates		1,137,037,387	1,009,046,154	1,117,306,186	989,773,618
Actuarial gain	6.20	(1,892,276)	(94,395)	(1,892,276)	-
(Gain) loss on foreign exchange	6.27,6.28	1,587,414,414	(1,045,563,838)	419,755,696	(675,369,678)
Loss on foreign exchange under finance leases - Power plants	6.28	10,429,118,648	271,350,916	10,579,826,478	276,781,686
Gain on changes in the fair value of derivatives	6.27	(140,626,844)	(107,615,802)	(140,626,844)	(107,615,802)
Loss on bargain purchase of a subsidiary.		-	825,375,928	-	-
Loss on disposal of investments in subsidiary		-	142,113,794	-	-
Dividends received from associates	6.8.4	-	-	(836,085,388)	(836,085,388)
Dividends received from subsidiary	6.8.4	-	-	(1,481,175,000)	(1,481,175,000)
Dividends received from joint venture	6.8.4	-	-	(15,360,660)	-
Dividends received from other investments		(269,418,991)	(235,951,209)	(57,351,250)	-
Share of profit from investments in associates		(1,409,724,057)	(1,387,428,327)	-	-
Share of profit from investments in joint ventures		(908,930,197)	(1,079,086,396)	-	-
Net income attributable to non - controlling interests		1,579,001,076	3,321,538,700	-	-
Interest income		(1,791,064,573)	(1,954,574,066)	(1,372,795,126)	(1,647,741,080)
Finance costs		4,406,911,230	4,408,861,404	3,016,661,249	2,924,282,826
Interest expenses under finance leases - Power plants		27,290,983,730	21,229,109,420	32,318,918,696	26,774,341,382
Income taxes		1,407,724,577	1,269,377,123	-	-
Reversal of provision liabilities and others		32,103,584	-	-	-
Net income from operating activities before changes in operating assets and liabilities		119,282,369,749	109,652,298,903	117,662,498,240	105,489,065,477

Notes to the financial statements are an integral part of these financial statements.



**ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

		Unit : Baht			
	Notes	Consolidated financial statement		Separate financial statement	
		2015	2014	2015	2014
			(Restated)		
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUE)					
Changes in operating assets (Increase) Decrease					
Trade accounts receivable		836,841,874	(5,778,564,214)	809,836,272	(6,162,156,263)
Other accounts receivable		677,877,862	(257,612,684)	1,165,007,804	(476,205,357)
Materials and supplies		1,028,514,949	(304,728,602)	500,574,241	(286,500,722)
Other current assets		179,967,438	(1,655,188,380)	-	-
Deposit for deferred revenue for electricity compensation		(4,095,131,924)	(1,155,137,591)	(4,095,131,924)	(1,155,137,591)
Other non - current assets		(440,994,270)	(153,220,924)	(963,738,147)	(19,289,061)
Deferred charges of the lignite mine		(5,857,883,614)	(6,031,066,636)	(5,857,883,614)	(6,031,066,636)
Changes in operating liabilities Increase (Decrease)					
Trade accounts payable		1,032,079,267	(6,818,757,430)	771,167,576	(6,494,948,832)
Other accounts payable		(745,209,296)	1,934,528,038	300,673,106	1,397,046,224
Long - term advance receive from related party		(7,903,089)	7,903,089	-	-
Other current liabilities		(25,631,168)	(1,078,856,211)	-	-
Accrued expenses		517,188,500	17,854,237	522,961,131	(13,070,421)
Other non - current liabilities		426,915,534	129,566,668	(833,670,500)	789,985,016
Actual payment on employee benefit		(813,143,105)	(526,996,110)	(810,762,545)	(516,663,638)
Deferred revenue for electricity compensation		4,165,902,592	1,155,486,630	4,165,902,592	1,155,486,630
Provision liabilities for mine reclamation		37,044,373	67,749,836	37,044,373	67,749,836
		(3,083,564,077)	(20,447,040,284)	(4,288,019,635)	(17,744,770,815)
Cash receipts from operating		116,198,805,672	89,205,258,619	113,374,478,605	87,744,294,662
Cash receipts on interest		807,600,816	1,250,671,777	795,543,140	1,215,734,012
Cash payment on income taxes		(1,747,939,563)	(1,330,557,462)	-	-
Net cash from operating activities		115,258,466,925	89,125,372,934	114,170,021,745	88,960,028,674
CASH FLOWS FROM INVESTING ACTIVITIES					
Net cash receipts (payment) on temporary investments		(1,470,433,918)	8,108,982,273	157,004,294	9,041,325,385
Net cash receipts (payment) on long - term investments		(6,336,898,491)	(291,299,037)	(5,213,750,000)	-
Cash receipts on disposal of assets		465,235,726	447,752,979	436,506,247	442,618,142
Cash payment on property, plant, equipment, work under construction and intangible assets	a	(34,365,304,265)	(34,767,591,001)	(34,194,421,946)	(34,914,317,077)
Cash payment on finance costs for work under construction		(429,095,119)	(325,873,449)	(429,095,119)	(325,873,449)
Cash payment on project development cost for collection		(121,565,136)	(344,983,683)	-	-
Cash payment on short - term loans to related party		(7,600,000)	-	-	-
Cash payment of refund to contribution	6.22	(3,900,000)	(54,738,519)	(3,900,000)	(54,738,519)
Cash receipts on deferred income		424,596,864	385,935,059	424,596,864	385,935,059
Cash payment on investments in subsidiaries		-	(703,435,335)	(1,746,000,000)	(1,254,000,000)
Cash payment on investments in associated company		(40,604,840)	(623,844,703)	-	-
Cash payment on investments in joint ventures		(6,132,612,794)	(417,275,485)	-	-
Cash receipts from disposal of investments in joint ventures		13,972,105	10,942,000	-	-
Cash receipts from disposal of investments in subsidiaries		-	118,428,750	-	-
Cash receipts on interest		901,955,536	806,326,085	490,282,658	513,780,822
Dividends received from associates	6.8.3,6.8.4	1,180,184,864	1,144,640,436	836,085,388	836,085,388
Dividends received from subsidiary	6.8.4	-	-	1,481,175,000	1,481,175,000

Notes to the financial statements are an integral part of these financial statements.

**ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

Unit : Baht

	<u>Notes</u>	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
		<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
			(Restated)		
<b>CASH FLOWS FROM INVESTING ACTIVITIES (CONTINUE)</b>					
Dividends received from joint ventures	6.8.3,6.8.4	728,250,136	634,473,550	15,360,660	-
Dividends received from other entities		269,418,991	235,951,209	57,351,250	-
Net cash used in investing activities		(44,924,400,341)	(25,635,608,871)	(37,688,804,704)	(23,848,009,249)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Remittance to the Ministry of Finance		(25,273,999,326)	(20,054,216,778)	(25,273,999,326)	(20,054,216,778)
Cash receipts from short - term loans from financial institutions		24,880,000,000	17,535,000,000	-	-
Cash payment of short - term loans from financial institutions		(25,280,000,000)	(23,433,996,684)	-	-
Cash receipts from bill of exchange payables		2,700,000,000	4,700,000,000	-	-
Cash payment of bill of exchange payables		(5,200,000,000)	(3,750,000,000)	-	-
Cash receipts from long - term loans		2,126,309,581	10,274,205,641	-	-
Cash receipts from long - term loan of infrastructure fund		20,855,000,000	-	20,855,000,000	-
Decrease in finance lease liabilities - others		(5,729,032)	(3,449,902)	(4,201,198)	(1,955,220)
Decrease in finance lease liabilities - Power plants		(12,197,584,521)	(11,837,849,773)	(15,775,884,421)	(13,919,771,521)
Cash payment of long - term loans		(9,462,854,794)	(11,439,292,767)	(8,065,858,653)	(6,457,892,766)
Cash payment on finance costs		(4,117,606,983)	(4,421,961,911)	(2,820,351,600)	(3,035,339,589)
Cash payment on interest under finance leases - Power plants	6.29	(27,290,983,730)	(21,229,109,420)	(32,318,918,696)	(26,774,341,382)
Dividends paid to non - controlling interests of subsidiary		(1,809,375,459)	(1,810,325,000)	-	-
Net cash used in financing activities		(60,076,824,264)	(65,470,996,594)	(63,404,213,894)	(70,243,517,256)
<b>EFFECT FROM FOREIGN EXCHANGE RATE IN CASH AND CASH EQUIVALENTS</b>					
		(255,763,034)	(175,670,808)	23,037,529	(74,682,048)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		10,001,479,286	(2,156,903,339)	13,100,040,676	(5,206,179,879)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		62,646,069,258	64,802,972,597	51,832,088,359	57,038,268,238
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	6.1	72,647,548,544	62,646,069,258	64,932,129,035	51,832,088,359

Notes to the financial statements are an integral part of these financial statements.



**ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**Notes to the Statements of Cash Flows**

**a. Property, Plant and Equipment, Work under Construction and Intangible Assets**

**Consolidated**

During the year 2015, EGAT and its subsidiaries purchased property, plant and equipment, work under construction and intangible assets which total costs were Baht 34,678.82 million. The purchase was paid in cash amounted to Baht 34,365.30 million, which includes amount of net accounts payable during the year amounted to Baht 10.90 million (Beginning and Ending balance of accounts payable amounted to Baht 2,915.24 million and Baht 2,926.14 million respectively). The remaining amounted to Baht 302.62 million were net revenues from first synchronization of power plants which would deduct the cost of property, plant and equipment, work under construction and intangible assets.

During the year 2014, EGAT and its subsidiaries purchased property, plant and equipment, work under construction and intangible assets which total costs were Baht 34,564.05 million. The purchase was paid in cash amounted to Baht 34,767.59 million, which includes the deduction of net accounts payable during the year amounted to Baht 826.37 million (Beginning and Ending balance of accounts payable amounted to Baht 3,741.61 million and Baht 2,915.24 million respectively). The remaining amounted to Baht 622.83 million were net revenues from first synchronization of power plants, which would deduct the cost of property, plant and equipment, work under construction and intangible assets.

**Separate**

During the year 2015, EGAT purchased property, plant and equipment, work under construction and intangible assets which total costs were Baht 34,507.94 million. The purchase was paid in cash amounted to Baht 34,194.42 million, which includes amount of net accounts payable during the year amounted to Baht 10.90 million (Beginning and Ending balance of accounts payable amounted to Baht 2,915.24 million and Baht 2,926.14 million respectively). The remaining amounted to Baht 302.62 million were net revenues from first synchronization of power plants, which would deduct the cost of property, plant and equipment, work under construction and intangible assets.



During the year 2014, EGAT purchased property, plant and equipment, work under construction and intangible assets which total costs were Baht 34,710.78 million. The purchase was paid in cash amounted to Baht 34,914.32 million, which includes the deduction of net accounts payable during the year amounted to Baht 826.37 million (Beginning and Ending balance of accounts payable amounted to Baht 3,741.61 million and Baht 2,915.24 million respectively). The remaining amounted to Baht 622.83 million were net revenues from first synchronization of power plants, which would deduct the cost of property, plant and equipment, work under construction and intangible assets.

**Notes to the financial statements are an integral part of these financial statements.**







## **ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED DECEMBER 31, 2015**

##### **1. General Information**

Electricity Generating Authority of Thailand (EGAT), which is a juristic person, was established by Electricity Generating Authority of Thailand Act, B.E. 2511 (1968) and subsequent amendments. EGAT's main business objectives are generating, acquiring, transmission or distribution electric energy, the operation of electric energy business and energy sources deriving from natural resources, and undertaking business concerning electric energy and other businesses concerning or related to the activities of EGAT, or collaborate with other persons for the said activities. Besides, its businesses include production and selling lignite or any chemicals derived from lignite. The head office of EGAT is located at 53 Moo 2, Charansanitwong Road, Bang Kruai, Nonthaburi.

##### **2. Basis of Financial Statements Presentation**

###### **2.1 Principles of Financial Statements Preparation**

The consolidated and the separate financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Profession Act, B.E. 2547, including interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP). EGAT has presented the financial statements in compliance with the notification of the Department of Business Development "Definition of the abbreviated components required in the financial statements, B.E.2554", dated September 28, B.E.2554, under the third paragraph of section 11 of the Accounting Act, B.E.2543.

These accompanying consolidated and the separate financial statements are prepared based on the assumption that users of these financial statements have an understanding of generally accepted accounting principles and practices used in Thailand. In any case, these accounting principles may differ, in certain aspects, from generally accepted accounting principles used in other countries.

The mentioned financial statements have been prepared under the historical cost convention, except explained otherwise as disclosed in Note 3.

In the consolidated financial statements, the significant transactions arising between EGAT and subsidiaries are eliminated. Investments in subsidiaries, associate and the joint venture have been presented in the separate financial statements under the cost method. Non - controlling interests are separately disclosed in equity. When materiality, accounting policies of its subsidiaries, an associate, and joint venture have been changed to ensure consistency with the accounting policies adopted by EGAT.

An English language version of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of conflict or difference in the interpretation between the two languages, the financial statements in Thai language shall prevail.

## **2.2 Use of Estimates**

The consolidated and the separate financial statements are prepared in conformity with Thai generally accepted accounting principles in Thailand, which require management to make estimates and assumptions that affect the book value of assets and liabilities in the consolidated and the separate financial statements. Actual results may differ from those estimates and assumptions.

## **3. Significant Accounting Policies**

### **3.1 Cash and Cash Equivalents**

Cash and cash equivalents include cash, cash in current accounts, saving accounts and short term fixed deposits not more than 3 months including promissory notes or bills of exchange with maturity of 3 months or less which EGAT has fully accessed without commitment.

### **3.2 Temporary investments**

Temporary investments of EGAT has followed to the regulations of the Ministry of Finance regarding accounting and finance of state owned enterprise B.E. 2548 section 2 of finance which defined state owned enterprise to deposit its money with commercial banks that also are state owned following to the budgeting law. If there is remaining liquidity or desire to manage remaining liquidity to gain higher reward than deposit with state owned banks following to the budgeting law of state owned enterprise, it is possible to invest in short term financial instruments issued by the Ministry of Finance or financial institutions of government.

### **3.3 Trade Accounts Receivable and Other Accounts Receivable**

Accounts receivable are stated at net realizable value. The allowance for doubtful accounts is estimated by percentage of the overdue, which have been based on historical results of collection and the present events pertaining to accounts receivable at the statements of financial position date. According to the regulations of the Ministry of Finance regarding accounting and finance of state owned enterprise B.E. 2548, which amended the regulations of the Ministry of Finance regarding accounting and finance of state owned enterprise B.E. 2520, the allowance for doubtful accounts are stated as follows:



### 3.3.1 Trade accounts receivable exclusive of government agencies and state enterprises

Overdue Period	Percentage of allowance for doubtful accounts
Over 6 months - 1 year	50
Over 1 year	100

**3.3.2 Other accounts receivable (exclude accrued revenues and prepaid expenses),** which the overdue period is over 1 year, the percentage of allowance for doubtful accounts is 100.

### 3.4 Materials and Supplies

**3.4.1 Fuel oil for power plant** is stated at the lower of moving average cost or net realizable value.

**3.4.2 Lignite** is stated at the lower of moving average cost or net realizable value.

**3.4.3 Spare parts for power plant and mine equipment** are stated at moving average cost less allowance for obsolescence of stocks designed to write off the parts on a straight - line method over the useful lives of the main equipment.

Spare parts for power plant under materials and supplies - net item are namely the spare parts and equipment which are used in maintenance power plants. The portion of main spare parts and equipment for power plants, which has useful life over 1 year, is stated in equipment for power plants under property, plant and equipment item.

Spare parts for mine equipment are namely component, spare parts and supplies for mine equipment maintenance such as spare parts for 85 ton truck, spare parts for excavator and spare parts for engine belt system. However, useful life over 1 year and reserved spare parts for mine equipment is stated under property, plant and equipment item.

**3.4.4 General materials and supplies** are stated at moving average cost less allowance for obsolescence of stocks designed, which have not moved for 6 months and above. The allowance is calculated at the following rates:

No movement within	Percentage of allowance for obsolescence of stocks
6 -18 months	10
Over 18 - 30 months	30
Over 30 - 48 months	50
Over 48 - 60 months	75
Over 60 months	100

General materials and supplies consist of fuel oil for vehicle and machine, general spare parts and office suppliers for operation.

### **3.5 Derivative Assets and Derivative Liabilities**

Derivatives have initial realized based on the fair value at the statements of financial position date. Gain or loss from the change of fair value are realized in statements of income of that period.

At the statements of financial position date, the fair value of forward foreign exchange contracts, cross currency and interest rate swap contracts, currency swap contracts and interest rate swap contracts are calculated by financial institutions, which are the contractor of EGAT.

### **3.6 Investments in Subsidiaries, Associates, and Joint Ventures**

#### **3.6.1 Investments in subsidiaries**

Investments in subsidiaries of EGAT have been presented in the separate financial statements under the cost method. Investments in subsidiaries of EGAT and its subsidiaries have been eliminated together with the equity interests in the consolidated financial statements preparation.

A list of subsidiaries of EGAT and its subsidiaries is set out in Note 6.8.1 and 6.8.2 respectively.

Although EGAT owned Ratchaburi Electricity Generating Holding Public Company Limited (RATCH) and EGAT Diamond Service Co., Ltd., only 45% of the total fully paid - up common share, EGAT has effective control over so that they are subsidiaries of EGAT according to financial reporting standards, which must prepared the consolidated financial statements.

#### **3.6.2 Investments in associates**

Investment in associate of EGAT has been presented in the separate financial statements under the cost method. Investments in associates of EGAT and its subsidiaries have been presented in the consolidated financial statements under the equity method.

A list of associates of EGAT and its subsidiaries is set out in Note 6.8.1 and 6.8.2 respectively.

#### **3.6.3 Investments in joint ventures**

Investment in joint venture of EGAT has been presented in the separate financial statements under the cost method. Investments in joint ventures of EGAT and its subsidiaries have been presented in the consolidated financial statements under the equity method.

A list of joint ventures of EGAT and its subsidiaries is set out in Note 6.8.1 and 6.8.2 respectively.



### 3.7 Investments in financial securities

Investments in financial securities of EGAT comprise of held - to - maturity investments and available - for - sale securities investments.

**3.7.1 Held - to - maturity investments** are investments with maturity period. The bearers intends and be able to held to maturity date. It has been included in the current assets and disclosed in cash and cash equivalents and temporary investments in the case of the maturity date of investments is more than 3 months but not more than 1 year.

Held - to - maturity investments are stated in the statements of financial position at amortized cost less impairment loss of investments. The difference between purchased prices and maturity value will be amortized using the effective rate of interest method over the remaining useful life of the investments.

**3.7.2 Available - for - sale securities investments** are investments held with no identifiable time and may sell for enhancing liquidity or when interests rate change.

Available - for - sale securities investments are stated at fair value. Unrealized gain (loss) from value changes is recognized separately in the equity. When there are sales of available - for - sale securities investments, accumulated changes in fair value is recognized in the statements of income and discloses in gain (loss) from sales of investments.

Investments in financial securities of EGAT is in compliance with the regulations of the Ministry of Finance about Accounting and Finance of state owned enterprise, B.E.2548 section 2 which require the state owned enterprises who want to manage liquidity may elect to invest in short - term financial instruments issued by the Ministry of Finance or government financial institutions.

### 3.8 Property, Plant and Equipment

Property, Plant and equipment are stated at cost on the date of acquisition or completion of construction less accumulated depreciation and allowance for impairment.

Depreciation is calculated on the straight - line method in order to reduce the book value of each type of assets over the estimated useful lives with residual value of one Baht except the land which has infinite useful lives.

The estimates of useful lives of EGAT's assets are as follows:

	Years	
Structures	3 years	- 40 years
Reservoirs and dams	6 years 8 months	- 75 years



	Years	
Power plants	5 years	- 30 years
Equipment for power plants	3 years	- 25 years
Control system	3 years	- 25 years
Transmission system	3 years	- 40 years
Communication system	5 years	- 25 years
Coal handling system	10 years	- 25 years
Machinery	5 years	- 10 years
Large - sized spare parts for mine equipment	8 years	
Vehicles	5 years	- 12 years
Other materials and supplies	3 years	- 10 years

The estimate of useful lives for power plants of subsidiaries is stated according to the power purchase agreement.

Depreciation of the Srinagarind, Bang Lang, Vajiralongkorn, Rajjaprabha and Pak Mun dams are included in the statements of income only to the extent that they relate to power generation. The remaining portion relating to irrigation is deducted from capital contribution for supporting construction of those dams.

When the asset was disposed, EGAT recorded to write off the asset with accumulated depreciation and recognized gain (loss) on disposal of asset in the statements of income.

The cost of major inspection was recognized as the part of property, plant and equipment and was amortized according to the estimated useful lives. The useful lives of major inspection fee are estimated under type of major inspection fee and power plants as follows:

Type of Power Plants	Type of Major Inspection Fee	
	Major Overhaul : MO	Minor Inspection : MI
	Useful lives (Year)	Useful lives (Year)
- Hydro Power Plants	6 - 12	2 - 4
- Thermal Power Plants	4 - 6	2
- Combined Cycle Power Plants	2 - 6	2 - 3
- Gas Turbine Power Plants	4 - 8	1 - 4
- Lignite Power Plants	8	2





Besides, cost of power plants commissioning after deduction of revenue from electric energy during power plants commissioning are recorded as the part of property, plant and equipment in work under construction item.

### **3.9 Assets and Liabilities under Finance Lease Agreements**

Assets and liabilities under finance lease agreements are stated at the lower of fair values at inception or present values of the minimum lease payments less accumulated depreciation. A portion of lease payments is recognized as financial expenses and the remainder is deducted from the principle over the lease periods. Depreciations of those leased assets are calculated on the straight - line method over the estimated useful lives of each type of assets. In case the ownership of the assets is not transferred to the lessee at the end of the lease periods, depreciations are based on the shorter of the useful lives of the assets or the lease period.

Determining whether an arrangement is, or contains, a lease is based on the substance of the arrangement and requires an assessment that the arrangement meets the following criteria before the classification of leases.

1. Fulfillment of the arrangement is dependent on the use of a specific asset and
2. The agreement conveys a right to use the asset.

Determining whether a lease is a finance lease depends on the substance of the transaction rather than the form of the contract. Lease will be classified as a finance lease, if the arrangement represent individually or in combination situations as follows:

1. The lease transfers ownership of the asset to the lessee by the end of the lease term;
2. The lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised;
3. The lease term is for the major part of the economic life of the asset even if title is not transferred;
4. At the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset; and
5. The leased assets are of such a specialized nature that only the lessee can use them without major modifications.

### **3.10 Intangible Assets**

#### **3.10.1 Land rights**

The land rights under transmission line have infinite useful lives because its future economic benefit is uncertain. Other land rights, which can be expected their useful lives, will be amortized according to the certain useful lives.

### **3.10.2 Computer software rights and software license**

Computer software rights of EGAT are amortized as expenses over the expected useful lives not more than 5 years, which are revised the amortization method and the useful lives in every accounting period. The software license is amortized as expenses over the expected useful lives in 5 - 10 years.

### **3.10.3 Royalty on state property service**

In 1990, with the approval of the Ministry of Finance, EGAT has been entitled to use land and building surrounding the Sirikit dam, which are state property without charge and EGAT recognized cost of dam in portion that use for generating electric power and surplus from Royalty on State Property Service as a Royalty on State Property Service account. It is recognized as expenses and written off from the Royalty on State Property Service. The balance is being amortized over 59 years, which is the remainder estimated useful lives of the dam.

### **3.10.4 Transmission system connection rights**

Transmission system connection rights are amortized based on a straight - line method over the expected useful lives in 8 years.

### **3.10.5 Project development rights**

The incurred costs on development projects are recognized as intangible assets when there are obvious possibilities that the projects will be success. The cost on development projects that has been capitalized is amortized from commencement of the commercial operation based on a straight - line method over the period of its expected benefit.

### **3.10.6 Research and development expenditure**

Research and development expenditure is divided into 2 phases according to phase of activities as below:

1. Expenditure on research phase includes the expenditure of experiment to acquire new knowledge and understanding on scientific or technical. Gain or loss will be recognized when it is occurred.
2. Expenditure on development phase is related to a new product and process work plan, design or improvement. It will be recognized as an asset when the development cost can be reliably measured or the product or process has the commercial and technological feasibility as well as generate economic benefits. However, EGAT must have the intention and adequate resource to apply the gained knowledge to achieve the development so that the asset can be utilized or sold.

The development expenditure which will be recognized as an asset consists of cost of materials, labor, and others, which directly attributed to the preparation of asset for its intended use and borrowing cost.



The development expenditure, recognized as asset, is stated of cost less accumulated amortization. In case of the prototype asset, EGAT will separate cost of tangible asset from intangible asset in order to classify tangible asset as property, plant and equipment according to type of asset.

### **3.11 Goodwill**

Goodwill represents the excess of the cost of acquisition of the group of subsidiaries over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary, joint venture or associate at the acquisition date.

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment. The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, the recoverable amount is estimated at each reporting date, when indicators of impairment are identified.

### **3.12 Project development cost for collection**

Project development cost for collection of subsidiary will record as an asset when the Ministry of energy approved the principle of investment project. In any case, if Board of Directors consider and approve the termination of the project, the entity will write off the project development cost for collection which recognized as an asset then immediately recognize as an expense in the period which it incurred.

### **3.13 Deferred Charges of the Lignite Mine**

#### **3.13.1 Overburden removal costs**

The costs of overburden removal expended in each year are calculated by multiply the quantity of lignite extracted from the mine in that period by 6.09 (the stripping ratio is 6.09:1, which is the ratio of the overburden bears to the total economically lignite) and multiply by the average cost per cubic metre of overburden removed. In case the actual stripping ratio in each period is more than 6.09, the excess is recorded as the deferred charges. However, the accumulated of overburden removal costs is not more than the deferred charges.

#### **3.13.2 Minerals resource exploration and preliminary development costs**

Minerals resource exploration and preliminary development costs are recognized as expenses for the year in which they are incurred. Any exploration done as a part of a power development plan and long - term mining plan, are recognized as deferred charges and amortized in the proportion that deferred expenses bears to the total economically mineable reserves and multiplied by the quantity of lignite extracted during the year.

### **3.13.3 Resettlement costs**

Resettlement costs expended in each year are calculated by dividing the total actual resettlement costs by the total lignite mineable reserves over the useful lives of the power plants multiplied by the quantity of lignite extracted during the year. The resettlement costs in areas, which are not mined for lignite, will be recognized as expense in the period as incurred.

### **3.13.4 Mineral patent costs**

Mineral patent costs paid as an extra to the government are calculated by 0.1% of the total mineral value, each of them has value exceeding Baht 50 million. Mineral fields with lesser value are exempted from such patent costs.

Each patent is granted a period of 25 years. Mineral patent costs are recognized as deferred charges and amortized over the period of patent.

## **3.14 Foreign Currency**

Foreign currency transactions are translated into Thai Baht using the Bank of Thailand's reference exchange rate prevailing at the transaction date. Assets and liabilities dominated in foreign currency are translated into Thai Baht using the exchange rate at the end of accounting period. Gain or loss on foreign exchange is recognized as either revenues or expenses for all amounts in that accounting period.

## **3.15 Employee Benefit Obligations**

Employee Benefit Obligations of EGAT, subsidiaries were measured and recognized as follows:

1. Short - term employee benefits are recognized as expenses in statements of income when incurred. However, short - term employee benefits in case of leave with accumulated compensation are recognized when the services are rendered.

2. Post - employee benefits - defined contribution plans

EGAT and subsidiaries have jointly established a provident fund which is legally separate from EGAT and subsidiaries. The fund is monthly contributed by employees, EGAT and its subsidiaries. Provision liabilities will not be recorded for the contributions. However, the contributions will be recognized as expenses in statement of income when incurred.

3. Post - employee benefits - defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques, using the project unit credit method, in order to determine present value of the obligation, current service cost, past service cost, and net interest. These are recognized as a liability in statements of financial position and expenses in statements of income.

In case of EGAT has the differences between actual employee benefits paid and actuarial estimated, EGAT will not recognized the differences until there is assumptions revision in accordance with



actuarial, which revised every 3 years or whether there is any indication. Any actuarial gains and losses are recognized in statements of comprehensive income.

#### 4. Other long - term employee benefits

The obligation under the defined benefit plan is determined based on actuarial techniques, using the project unit credit method, in order to determine present value of the obligation, current service cost, past service cost, and net interest. These are recognized as a liability in statements of financial position and expenses in statements of income.

In case of EGAT has the differences between actual employee benefits paid and actuarial estimated, EGAT will not recognize the differences until there is assumptions revision in accordance with actuarial, which will be revised every 3 years or whether there is any indication. Any actuarial gains and losses are recognized in statements of income in the period in which they arise.

Since employee benefits are expenses benefits, the expenses will be allocated to cost of assets, liabilities, cost of electric energy sales, selling and administrative expenses, and cost of sales of other goods and services according with employee's duty, and likewise salary, wage, and other benefits practices.

### **3.16 Provision Liabilities for Mine Reclamation**

EGAT recognizes provision liabilities for mine reclamation of lignite mine in Mae Moh District, Lampang, which will arise in the future. The Mining Act defines that the reclamation shall take place after mine closure. As a result, EGAT shall recognize provision liabilities for mine reclamation. For reclamation costs recognized as expenses in the reporting period are calculated by estimation of total reclamation costs, divided by total expected quantity of extracted lignite over the mining life, multiplied by the quantity of extracted lignite for each period.

### **3.17 Staff AID Fund and Provident Fund**

EGAT has established the Staff AID Fund to provide welfare for employees after leaving EGAT. EGAT contributes to the fund on a monthly basis at the rate of 10% of salaries of its employees being the fund's members. Contributions are recognized as expense in EGAT's statements of income in full amount and the accounting transactions of the fund have been consolidated in EGAT's financial statements.

On January 1, 1995, EGAT has set up the Provident Fund in accordance with the Provident Fund Act, B.E. 2530, which the Ministry of Finance prescribed the policy that the state owned enterprises contribute to the Provident Fund at the rate approved by the Ministry of Finance. The employees have the privilege to contribute to the Fund at the minimum rate of 3% of salaries but not more than the combined rate that EGAT contributes to the Fund. EGAT recognizes contributions paid to the provident fund as



expenses in the reporting period. In addition, the provident fund is an entity that is legally separate from EGAT.

### **3.18 Deferred Income**

#### **3.18.1 Contributions for construction**

In case cash contributions received from EGAT's direct customers towards project construction, after completion of the project, assets will be owned by EGAT, are accounted for as deferred contributions and released to revenues over the useful lives of the related assets.

In case cash contributions received from independent power producers towards project construction, after completion of the project, assets will be owned by EGAT, are accounted for as deferred contributions and released to revenues over the period of the power purchase contracts.

In the event that independent power producers operate construction and assets of the project are transferred to EGAT after completion, those assets are accounted for as EGAT's assets and matched with deferred contributions which are released to revenues over the period of the power purchase contracts.

#### **3.18.2 Income from donation**

Income from donation, which is assets or cash received from governments and foreign financial institutions in forms of discount of interest or grants to be used for project development of EGAT as identified by donors, is recorded as deferred income under liabilities. Deferred income is recognized as revenue over the useful lives of fixed assets or, in case of cash from donation is recognized according to actual expenditures incurred.

### **3.19 Revenue from Electric Energy Sales**

Revenue from electric energy sales is recognized according to metered delivery units at the selling point under the power purchase agreement. Revenue from automatic tariff adjustment (Ft) is recognized according to the occurred Ft revenue in that period which comprised of the actual collected Ft revenue in accordance with the approval of the Energy Regulatory Commission (ERC) and recognized the accrued Ft revenue or unearned Ft revenue, which came from the difference of the calculated Ft price under the formula Ft with the collected Ft price in that period.

Deferred revenue for electricity compensation has been occurred from receiving fuel costs or electricity compensation from fuel suppliers or other power producers, However, such compensation has not been approved by the ERC to be included in the tariff structure. EGAT will recognized that compensation as electricity revenue when ERC has approved it.





### **3.20 Revenue from Sales of Other Goods and Services**

**3.20.1 Revenue from sales of other goods** such as the revenue from fuel providing to affiliates of EGAT and revenue from sales of Hydrogen gas, distilled water, chemicals and by products from generating electricity. It is recognized as income upon the delivery of products and when the significant risks and rewards of ownership are transferred to the customers.

**3.20.2 Revenue from services** such as revenue from running the machinery and power plant maintenance services, communications system and telecommunication services are recognized as income by percentage of completion at the statements of financial position date.

### **3.21 Interest Income**

Interest income is recognized on a time proportion basis and effective rate of return on assets.

### **3.22 Finance Costs**

Finance costs include interest expenses, commitment charges and other expenses on long term loans. Interest expenses of long term loans for acquisition of non - current assets that are under construction are recognized as capitalized, while after the completion of construction period are recognized as expenses. Interest expenses on loans for working capital are recognized as expenses in the period they incurred.

### **3.23 Related Parties**

Related parties refer to individuals or enterprises, which directly or indirectly manage or control, or are controlled by EGAT or are under common control, including subsidiaries and fellow subsidiaries. Besides, related parties refer to individuals or enterprises, including associate and shareholder which have directly or indirectly vote and significant influence to EGAT, directors, management or employees of the EGAT.

In considering each possible related parties relationship, EGAT attends to the substance of the relationship and not merely the legal form.

### **3.24 Financial Instruments**

Financial assets presented in the financial statements include cash and cash equivalents, temporary investments, trade accounts receivable - others, and trade accounts receivable - related parties. Financial liabilities presented in the financial statements include trade accounts payable - others, trade accounts payable - related parties, other accounts payable and loans. The accounting policies applied to those particular items are separately disclosed in the individual policy statements associated with them.

EGAT uses the financial instruments to mitigate foreign currency risk and fluctuations in interest rate. The main derivative financial instruments consisted of forward foreign exchange contracts and cross currency and interest rate swap agreements and cash flow hedge.

#### **Forward foreign exchange contracts**

The forward foreign exchange contracts are financial instruments to protect against the risk of exchange rate fluctuations, are agreements enabling EGAT to buy a specific amount of foreign currency at a pre - agreed rate on a fixed future time. The forward foreign exchange contracts are not recognized in the financial statements at agreement date but gains or losses will be recognized in the statements of income on any due dated as specified in the contracts.

#### **Cross currency and interest rate swap agreements**

The cross currency and interest rate swap agreements are financial instruments to protect against the risk of fluctuations in foreign exchange rate and interest rate associated with foreign currency borrowings. The swap agreements are not recognized in the financial statements at agreement date but the differential will be recognized in the statements of income on any due dated as specified in the contracts.

#### **Cash flow hedge**

Cash flow hedge is a hedging instrument of the exposure to variability in cash flows that is attributable to a particular risk associated with assets or liabilities. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge shall be recognized in other comprehensive income, and the ineffective portion of the gain or loss on the hedging instrument shall be recognized as other incomes or expenses in statements of income.

### **3.25 Capital Risk Management**

The subsidiary's objectives of capital management are to safeguard the subsidiary's ability to provide returns for shareholders, to be beneficial for other stakeholders and to maintain proper capital structure to reduce the cost of capital.

### **3.26 Operating Segments Disclosure**

EGAT and its subsidiaries have adopted Thai Financial Reporting Standard No.8, Operating Segments. The Operating Segments Disclosure is reported on the basis of internal reports of EGAT and its subsidiaries that are received and regularly reviewed by Chief Operating Decision Maker (CODM) in order to allocate resources to the segment and assess its performance. In addition, CODM of EGAT is board of directors of EGAT.

EGAT and its subsidiaries engage in the single operating segment which is generating, acquiring, transmission or distribution electric energy, including other business concerning or related to the main activities of EGAT or joint arrangements with other parties to operate such activities. Thus, revenues,



income from operations and assets presented in the financial statements are considered as operating segment reporting.

**4. Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations promulgated by the Federation of Accounting Professions (FAP).**

**Effective for accounting periods beginning on or after January 1, 2016**

◆Thai Accounting Standard No. 1 (revised 2015)	Presentation of Financial Statements
◆Thai Accounting Standard No. 2 (revised 2015)	Inventories
◆Thai Accounting Standard No. 7 (revised 2015)	Statement of Cash Flows
◆Thai Accounting Standard No. 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
◆Thai Accounting Standard No. 10 (revised 2015)	Events after the Reporting Period
◆Thai Accounting Standard No. 11 (revised 2015)	Construction Contracts
◆Thai Accounting Standard No. 12 (revised 2015)	Income Taxes
◆Thai Accounting Standard No. 16 (revised 2015)	Property, Plant and Equipment
◆Thai Accounting Standard No. 17 (revised 2015)	Leases
◆Thai Accounting Standard No. 18 (revised 2015)	Revenue
◆Thai Accounting Standard No. 19 (revised 2015)	Employee Benefits
◆Thai Accounting Standard No. 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
◆Thai Accounting Standard No. 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
◆Thai Accounting Standard No. 23 (revised 2015)	Borrowing Costs
◆Thai Accounting Standard No. 24 (revised 2015)	Related Party Disclosures
◆Thai Accounting Standard No. 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
◆Thai Accounting Standard No. 27 (revised 2015)	Separate Financial Statements
◆Thai Accounting Standard No. 28 (revised 2015)	Investments in Associates and Joint Ventures
◆Thai Accounting Standard No. 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies
◆Thai Accounting Standard No. 33 (revised 2015)	Earnings per Share
◆Thai Accounting Standard No. 34 (revised 2015)	Interim Financial Reporting

◆Thai Accounting Standard No. 36 (revised 2015)	Impairment of Assets
◆Thai Accounting Standard No. 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
◆Thai Accounting Standard No. 38 (revised 2015)	Intangible Assets
◆Thai Accounting Standard No. 40 (revised 2015)	Investment Property
◆Thai Accounting Standard No. 41	Agriculture
◆Thai Financial Reporting Standard No. 2 (revised 2015)	Share - based Payment
◆Thai Financial Reporting Standard No. 3 (revised 2015)	Business Combinations
◆Thai Financial Reporting Standard No. 4 (revised 2015)	Insurance contracts
◆Thai Financial Reporting Standard No. 5 (revised 2015)	Non - current Assets Held for Sale and Discontinued Operations
◆Thai Financial Reporting Standard No. 6 (revised 2015)	Exploration for and Evaluation of Mineral Resources
◆Thai Financial Reporting Standard No. 8 (revised 2015)	Operating Segments
◆Thai Financial Reporting Standard No. 10 (revised 2015)	Consolidated Financial Statements
◆Thai Financial Reporting Standard No. 11 (revised 2015)	Joint Arrangements
◆Thai Financial Reporting Standard No. 12 (revised 2015)	Disclosure of Interest in Other Entities
◆Thai Financial Reporting Standard No. 13 (revised 2015)	Fair Value Measurement
◆Thai Standing Interpretation No. 10 (revised 2015)	Government Assistance - No Specific Relation to Operating Activities
◆Thai Standing Interpretation No. 15 (revised 2015)	Operating Leases - Incentives
◆Thai Standing Interpretation No. 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
◆Thai Standing Interpretation No. 27 (revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
◆Thai Standing Interpretation No. 29 (revised 2015)	Service Concession Arrangements: Disclosures
◆Thai Standing Interpretation No. 31 (revised 2015)	Revenue - Barter Transactions Involving Advertising Services



◆Thai Standing Interpretation No. 32 (revised 2015)	Intangible Assets - Web Site Costs
◆Thai Financial Reporting Interpretation No. 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
◆Thai Financial Reporting Interpretation No. 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
◆Thai Financial Reporting Interpretation No. 5 (revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
◆Thai Financial Reporting Interpretation No. 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (revised 2015) Financial Reporting in Hyperinflationary Economies
◆Thai Financial Reporting Interpretation No. 10 (revised 2015)	Interim Financial Reporting and Impairment
◆Thai Financial Reporting Interpretation No. 12 (revised 2015)	Service Concession Arrangements
◆Thai Financial Reporting Interpretation No. 13 (revised 2015)	Customer Loyalty Programmes
◆Thai Financial Reporting Interpretation No. 14 (revised 2015)	TAS 19 (revised 2015) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
◆Thai Financial Reporting Interpretation No. 15 (revised 2015)	Agreements for the Construction of Real Estate
◆Thai Financial Reporting Interpretation No. 17 (revised 2015)	Distributions of Non - cash Assets to Owners
◆Thai Financial Reporting Interpretation No. 18 (revised 2015)	Transfers of Assets from Customers
◆Thai Financial Reporting Interpretation No. 20 (revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
◆Thai Financial Reporting Interpretation No. 21	Levies

The management of EGAT has assessed and determined the potential impact of adopting Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations. There will have no material impact on the financial statements.



## **5. The Effects of Adjustment on Financial Statements of EGAT, Subsidiaries, Associates, and Joint ventures**

### **The effect of compliance with new Thai Financial Report**

#### **Presentation of Financial Statements**

Since January 1, 2015, EGAT has adopted Thai Accounting Standard No. 1 (revised 2014), Presentation of Financial Statements. This revised standard requires items in other comprehensive income that will be reclassified to profit or loss in subsequent periods and items that will not be subsequently reclassified to profit or loss. This revised standard affects only for presentation and has no impact on EGAT's financial positions or performances.

#### **Consolidated Financial Statements**

Since January 1, 2015, EGAT has adopted Thai Financial Reporting Standard No. 10, Consolidated Financial Statements. This standard defines the principle of control, which is that an investor controls an investee when it has rights or interest on returns from its involvement with the investee, those rights or interest on returns is varied as a result of the investee's performance, and the investor has the ability to direct the activities that affect the amount of the investor's returns. The changes required management to exercise significant judgment to reconsider all entities to determine which entities in the group are controlled by EGAT and its subsidiaries. The impact of the adoption of this standard is presented in the "Adjustment of financial statements and reclassification".

#### **Joint Arrangements**

Since January 1, 2015, EGAT has adopted Thai Financial Reporting Standard No. 11, Joint Arrangements. This standard has eliminated the option to apply proportionate consolidation method for joint ventures. Instead, joint arrangements that meet the definition of a joint venture must be accounted for as an investment using the equity method. The impact of the adoption of this standard is presented in the "Adjustment of financial statements and reclassification".

#### **Disclosure of Interests in Other Entities**

Since January 1, 2015, EGAT has adopted Thai Financial Reporting Standard No. 12, "Disclosure of Interest in Other Entities". EGAT disclosed material information of subsidiaries, associates and joint ventures by presenting the detail of significant transactions of each entity which are not separately presented in consolidated financial statements.





## Adjustment of financial statements and reclassification

EGAT had adjusted the consolidated financial statements due to the adoption of Thai Financial Reporting Standard No. 10, Consolidated Financial Statements, and Thai Financial Reporting Standard No. 11, Joint Arrangements, by using retrospective method. In addition, the subsidiaries have certain fair value adjustments related to Thai Accounting Standard No. 17, Leases, and change the recognition of project development cost which was previously recorded as assets when the project was approved by the Ministry of Energy or the cabinet, to be recorded when the principles of investment projects are approved. Moreover, the subsidiaries reclassified some transactions in conformity with the presentation of the consolidated financial statements for the year ended December 31, 2015.

In 2015, EGAT reclassified transactions as follows:

1. Deposit for electricity compensation, which EGAT previously included in cash and cash equivalents, will be presented in deposit for deferred revenue for electricity compensation due to the restriction for intended use. It is presented as non - current asset.
2. Deferred revenue for electricity compensation, which previously presented as current liability, reclassifies as non - current liability.

The Effects of consolidated and separate statements of financial position as at December 31, 2014, consolidated statements of income for the year ended December 31, 2014, consolidated statements of comprehensive income for the year ended December 31, 2014, balance brought forward of consolidated statements of changes in equity for the year ended December 31, 2015 and December 31, 2014 and balance of consolidated statements of changes in equity for the year ended December 31, 2014 are summarized as follows:

Unit : Million Baht

	Consolidated financial statement			
	Before restated			As restated
	and reclassified	Restated	Reclassified	and reclassified
<b>Statements of financial position as at December 31, 2014</b>				
Cash and cash equivalents	66,103.36	(169.29)	(3,288.00)	62,646.07
Temporary investments	28,946.39	(33.25)	-	28,913.14
Trade accounts receivable - others	63,221.06	(62.73)	-	63,158.33
Trade accounts receivable - related parties	2,538.51	2.53	-	2,541.04
Other accounts receivable	7,471.08	(8.50)	(5.84)	7,456.74
Materials and supplies	13,384.01	(1.49)	-	13,382.52

Unit : Million Baht

Consolidated financial statement

	Before restated			As restated
	and	Restated	Reclassified	and
	reclassified			reclassified
Other current assets - Others	1,807.35	(0.01)	-	1,807.34
Investments in associates	19,261.67	-	642.88	19,904.55
Investments in joint ventures	10,535.02	643.55	(642.88)	10,535.69
Other long - term investments	4,065.09	(0.40)	-	4,064.69
Property, plant and equipment	260,073.85	(1,053.58)	-	259,020.27
Work under construction	45,605.00	(4.13)	-	45,600.87
Other intangible assets	28,641.73	(5.32)	-	28,636.41
Project development cost for collection	-	344.98	-	344.98
Deposit for deferred revenue for electricity compensation	-	-	3,288.00	3,288.00
Other non - current assets	3,055.01	(1.46)	-	3,053.55
Trade accounts payable - others	54,555.58	(52.49)	-	54,503.09
Trade accounts payable - related parties	7,563.88	46.85	-	7,610.73
Other accounts payable	10,866.80	(20.87)	(5.84)	10,840.09
Accrued interest expenses	1,189.89	(0.14)	-	1,189.75
Accrued expenses	5,205.08	(1.78)	-	5,203.30
Current portion of long - term loans	8,958.81	(130.82)	-	8,827.99
Current portion of finance lease liabilities				
- others	4.17	(0.51)	-	3.66
Long - term loans	72,499.70	(548.75)	-	71,950.95
Finance lease liabilities - others	3.54	(1.09)	-	2.45
Employee benefit obligations	14,580.47	(0.68)	-	14,579.79
Retained earnings - unappropriated	247,911.02	450.02	-	248,361.04
Other components of owners' equity	1,166.72	(88.84)	-	1,077.88



Unit : Million Baht

Consolidated financial statement

	Before restated and reclassified	Restated	Reclassified	As restated and reclassified
<b>Statements of income</b>				
<b>for the year ended December 31, 2014</b>				
<u>Revenues</u>				
Revenue from electric energy sales	536,318.41	(406.90)	-	535,911.51
Revenue from sales of other goods and services	21,410.08	(241.41)	-	21,168.67
Other revenues	6,574.80	(2.22)	-	6,572.58
Share of profit (loss) from investments in associates	1,331.03	(10.75)	67.15	1,387.43
Share of profit (loss) from investments in joint ventures	1,047.97	98.26	(67.15)	1,079.08
<u>Expenses</u>				
Cost of electric energy sales	460,197.88	(533.41)	-	459,664.47
Cost of sales of other goods and services	19,445.92	34.81	-	19,480.73
Administrative Expenses	17,302.59	(364.88)	-	16,937.71
Finance costs	25,709.67	(30.62)	-	25,679.05
Income taxes	1,281.94	(12.56)	-	1,269.38
<u>Profit for the year</u>				
Profit for the year	42,140.08	343.64	-	42,483.72
<b>Statements of comprehensive income</b>				
<b>For the year ended December 31, 2014</b>				
Gain (loss) on available - for - sale investments valuation	567.46	-	(0.08)	567.38
Share of other comprehensive income (loss) of associates	(115.68)	10.75	-	(104.93)
Share of other comprehensive income of joint ventures	-	-	0.08	0.08
Other comprehensive income (loss) for the year - net of taxes	(848.17)	10.75	-	(837.42)

Unit : Million Baht

Consolidated financial statement

	Before restated and reclassified	Restated	Reclassified	As restated and reclassified
<b>Statements of changes in owners' equity as at January 1, 2015</b>				
Retained earnings - unappropriated	247,911.02	450.02	-	248,361.04
Gain (loss) on available - for - sale investments valuation	610.00	-	(0.06)	609.94
Share of other comprehensive income (loss) of associates	339.70	(88.84)	-	250.86
Share of other comprehensive income of joint ventures	-	-	0.06	0.06
Total owners' equity	372,502.17	361.18	-	372,863.35
<b>Statements of changes in owners' equity as at January 1, 2014</b>				
Retained earnings - unappropriated	227,449.97	106.38	-	227,556.35
Gain on available - for - sale investments valuation	354.60	-	0.02	354.62
Share of other comprehensive income (loss) of associates	455.38	(99.59)	-	355.79
Share of other comprehensive loss of joint ventures	-	-	(0.02)	(0.02)
Total owners' equity	351,543.08	6.79	-	351,549.87





Unit : Million Baht

	Separate financial statement			
	Before restated		As restate	
	and reclassified	Restated	Reclassified	and reclassified
<b>Statements of financial position as at</b>				
<b>December 31, 2014</b>				
Cash and cash equivalents	55,120.09	-	(3,288.00)	51,832.09
Deposit for deferred revenue for electricity compensation	-	-	3,288.00	3,288.00

## 6. Supplementary Information

### 6.1 Cash and Cash Equivalents comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Cash on hand	7.92	7.14	7.21	6.65
Cash in banks current and saving accounts	35,984.14	44,350.04	33,795.94	41,825.44
Fixed deposits not more than 3 months	32,347.17	10,225.34	28,149.12	10,000.00
Treasury bills not more than 3 months	2,979.86	-	2,979.86	-
Fixed deposit receipts	1,328.46	8,063.55	-	-
Total	72,647.55	62,646.07	64,932.13	51,832.09

### 6.2 Temporary investments comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Fixed deposits more than 3 months but not more than 12 months	25,886.43	18,135.01	23,869.30	17,017.27
Fixed deposit receipts	4,038.39	3,304.00	-	-
Debenture	60.00	-	-	-
Government bonds more than 3 months	-	7,038.28	-	6,997.28
Investments in trading securities	418.30	435.85	-	-
Total	30,403.12	28,913.14	23,869.30	24,014.55

### 6.3 Trade Accounts Receivable - Others comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Receivable from electric energy sales				
Metropolitan Electricity Authority	25,992.83	27,234.60	25,992.83	27,234.60
Provincial Electricity Authority	31,115.25	30,569.51	31,115.25	30,569.51
Others	5,186.34	4,746.55	5,186.34	4,746.55
	62,294.42	62,550.66	62,294.42	62,550.66
Services and others receivable	809.56	655.45	270.93	228.79
Total	63,103.98	63,206.11	62,565.35	62,779.45
Less : Allowance for doubtful accounts	(47.83)	(47.78)	(47.83)	(47.78)
Balance	63,056.15	63,158.33	62,517.52	62,731.67

Trade accounts receivable - others can be analyzed by categories and outstanding period as follows:

	Unit: Million Baht			
	Consolidated financial statement			
	Electric	Service and	Total	
Outstanding period	energy sales	others	Dec 31, 15	Dec 31, 14
Undue portion	59,546.53	744.93	60,291.46	61,619.52
Overdue not more than 6 months	1,767.42	13.83	1,781.25	1,262.44
Overdue more than 6 months to				
1 year	-	0.54	0.54	0.08
Overdue more than 1 year	980.47	50.26	1,030.73	324.07
Total	62,294.42	809.56	63,103.98	63,206.11
Less : Allowance for doubtful				
accounts	-	(47.83)	(47.83)	(47.78)
Balance	62,294.42	761.73	63,056.15	63,158.33





Unit: Million Baht

	Separate financial statement			
	Electric	Service and	Total	
	energy sales	others	Dec 31, 15	Dec 31, 14
<b>Outstanding period</b>				
Undue portion	59,546.53	213.87	59,760.40	61,202.65
Overdue not more than 6 months	1,767.42	6.26	1,773.68	1,252.65
Overdue more than 6 months to				
1 year	-	0.54	0.54	0.08
Overdue more than 1 year	980.47	50.26	1,030.73	324.07
Total	62,294.42	270.93	62,565.35	62,779.45
<b>Less : Allowance for doubtful</b>				
accounts	-	(47.83)	(47.83)	(47.78)
Balance	62,294.42	223.10	62,517.52	62,731.67

#### 6.4 Related Parties Transactions

The companies that have transactions with EGAT as at December 31, 2015 are as follows:

Company	Country of Incorporation/ Nationality	Relationship
EGAT International Co., Ltd.	Thailand	Subsidiary, EGAT has 100% shareholding
EGAT Diamond Service Co., Ltd.	Thailand	Subsidiary, EGAT has 45% shareholding
Ratchaburi Electricity Generating Holding Plc.	Thailand	Subsidiary, EGAT has 45% shareholding
District Cooling System and Power Plant Co., Ltd.	Thailand	Joint venture of EGAT, EGAT has 35% shareholding
Electricity Generating Plc.	Thailand	Associate, EGAT has 25.41% shareholding
Ratchaburi Electricity Generating Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
Ratchaburi Energy Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
RATCH - Lao Services Co., Ltd.	Lao PDR	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
RH International Corporation Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
RATCH O&M Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
Tri Energy Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
(In liquidation process)		
Ratchaburi Alliances Co.,Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
Khanom Electricity Generating Co., Ltd.	Thailand	Related party of EGAT

Company	Country of Incorporation/ Nationality	Relationship
EGCO Engineering and Services Co., Ltd.	Thailand	Related party of EGAT
Gulf Electric Plc.	Thailand	Related party of EGAT
BLCP Power Co., Ltd.	Thailand	Related party of EGAT
Eastern Water Resources Development and Management Plc.	Thailand	Related party of EGAT
Hongsa Power Co., Ltd.	Lao PDR	Related party of EGAT
Phufai Mining Co., Ltd.	Lao PDR	Related party of EGAT
RATCH - Australia Corporation Ltd.	Australia	Related party of EGAT
Nam Ngiep1 Power Co., Ltd.	Lao PDR	Related party of EGAT

**Related Parties Transactions** the details are as follows:

#### 6.4.1 Trade accounts receivable - related parties comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Subsidiaries	-	-	496.30	357.33
Associate	-	6.21	-	6.21
Joint venture	7.05	7.24	7.05	7.24
Other related parties	1,800.45	2,527.59	1,800.45	2,527.59
Total trade accounts receivable				
- related parties	1,807.50	2,541.04	2,303.80	2,898.37

Trade accounts receivable - related parties can be analyzed by categories and aging schedule as follows:

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Undue portion	1,807.44	2,541.04	2,291.84	2,888.34
Overdue not more than 6 months	0.06	-	11.96	10.03
Total trade accounts receivable				
- related parties	1,807.50	2,541.04	2,303.80	2,898.37



#### 6.4.2 Long - term loans to related parties

Long - term loans to related parties in consolidated financial statement are the transactions of the group of EGAT's subsidiaries comprise of:

		Unit : Million Baht	
		Consolidated financial statement	
		Dec 31, 15	Dec 31, 14
Long - term loans to related parties		47.29	43.20
Total		47.29	43.20

#### 6.4.3 Trade accounts payable - related parties comprise

		Unit : Million Baht			
		Consolidated financial statement		Separate financial statement	
		Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Subsidiaries		-	-	8,274.11	10,357.38
Associate		-	226.51	-	226.51
Joint venture		134.66	133.88	134.66	133.88
Other related parties		8,150.92	7,250.34	8,150.92	7,250.34
Total trade accounts payable					
- related parties		8,285.58	7,610.73	16,559.69	17,968.11

#### 6.4.4 Long - term loans from related parties

Long - term loans from related parties in consolidated financial statement are the transactions of the group of EGAT's subsidiaries comprise of:

		Unit : Million Baht	
		Consolidated financial statement	
		Dec 31, 15	Dec 31, 14
Long - term loans from related parties		1,071.60	1,095.46
Total		1,071.60	1,095.46

#### 6.4.5 Revenues and expenses - related parties comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
<b>Revenues</b>				
<b>Revenue from electric energy sales</b>				
Subsidiary	-	-	203.39	205.03
Associate	0.05	36.70	0.05	36.70
Other related parties	377.45	71.06	377.45	71.06
<b>Revenue from sales of other goods and services</b>				
Subsidiaries	-	-	2,594.24	2,939.31
Associate	0.28	3,355.89	0.28	3,355.89
Joint venture	96.84	88.13	96.84	88.13
Other related parties	12,768.41	15,371.15	12,768.41	15,371.15
<b>Expenses</b>				
<b>Cost of electric energy sales</b>				
Subsidiary	-	-	18.56	17.23
Joint venture	1,011.43	1,098.98	1,011.43	1,098.98
Other related party	388.83	-	388.83	-
<b>Cost of sales of other goods and services</b>				
Subsidiaries	-	-	2,050.38	2,545.40
Associate	0.12	3,332.26	0.12	3,332.26
Joint venture	101.51	99.45	101.51	99.45
Other related parties	12,238.44	15,123.27	12,238.44	15,123.27

#### 6.4.6 Executives' remunerations

For the year ended December 31, 2015, Executives' remunerations are as follows:

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
<b>Directors' remunerations</b>				
Meeting remuneration and bonuses	36.34	44.75	3.78	2.13
	36.34	44.75	3.78	2.13



Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
<b>Management's remunerations</b>				
Salaries, bonuses and other short - term				
employee benefits	204.30	204.64	54.63	54.12
Post - employee benefit and other long - term				
employee benefits	17.16	16.20	1.52	1.35
	221.46	220.84	56.15	55.47
Total	257.80	265.59	59.93	57.60

#### 6.5 Accrued / Surplus Revenue from Electric Energy Sales according to Automatic Tariff Adjustment (Ft) and Deferred Revenue for Electricity Compensation

As at January 1, 2015, EGAT has the surplus revenue from electric energy sales according to automatic tariff adjustment (Ft) in the amount of Baht 4,872.38 million. As at January 9, 2015, Energy Regulatory Commission (ERC) has approved the Ft of wholesale for January - April 2015, which was equivalent to 55.92 satang per unit for MEA and 40.31 satang per unit for PEA. As at April 30, 2015, ERC has approved the Ft of wholesale for May - August 2015, which was equivalent to 46.25 satang per unit for MEA and 31.38 satang per unit for PEA. As at September 3, 2015, ERC has approved the Ft of wholesale for September - December 2015, which was equivalent to 42.84 satang per unit for MEA and 28.42 satang per unit for PEA. As at November 27, 2015, ERC has approved the Ft of wholesale for November - December 2015, which deducted to -3.39 satang per unit for MEA and -3.03 satang per unit for PEA. However, the actual cost of purchasing fuel and electricity in such period are lower than the estimated Ft calculating formula, so that as of December 31, 2015, EGAT had surplus Ft revenue in the amount of Baht 7,022.82 million.

As at January 1, 2015 and December 31, 2015, EGAT had recorded deferred revenue for electricity compensation in the amount of Baht 3,386.83 million and Baht 7,552.73 million respectively. Deferred revenue for electricity compensation increased by Baht 4,165.90 million due to the fact that EGAT had received more compensation for the fuel or electricity from fuel suppliers or other electricity producers. In 2015, the Energy Regulatory Commission (ERC) has made the approval in the meeting 67/2558 (No.377) that deferred revenue for electricity compensation will be presented in non - current liabilities which the deposit for Ft management will be separately presented from cash and cash equivalents. This deposit account is placed restriction that EGAT is not allowed to use for other purposes.



## 6.6 Other Accounts Receivable comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Employee accounts receivable	121.40	217.90	114.83	214.06
Other accounts receivable	726.33	651.61	312.43	498.64
<b>Less : Allowance for doubtful accounts</b>	<b>(11.73)</b>	<b>(12.37)</b>	<b>(11.73)</b>	<b>(12.37)</b>
<b>Total</b>	<b>836.00</b>	<b>857.14</b>	<b>415.53</b>	<b>700.33</b>
Advances and Prepaid	5,121.33	1,753.98	4,993.32	1,582.09
Accrued revenues	418.11	242.55	196.35	173.03
Input tax	3,814.71	4,603.07	3,814.71	4,599.08
<b>Balance</b>	<b>10,190.15</b>	<b>7,456.74</b>	<b>9,419.91</b>	<b>7,054.53</b>

## 6.7 Materials and Supplies comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Fuel oil for power plant	4,838.48	5,889.02	3,761.77	4,769.06
Lignite stock	1,946.72	1,550.94	1,946.72	1,550.94
Spare parts, other materials and supplies	11,893.96	12,175.61	9,874.42	9,698.04
<b>Less : Allowance for obsolescence</b>	<b>(6,586.67)</b>	<b>(6,233.05)</b>	<b>(5,441.12)</b>	<b>(5,292.70)</b>
<b>Balance</b>	<b>12,092.49</b>	<b>13,382.52</b>	<b>10,141.79</b>	<b>10,725.34</b>

## 6.8 Investment in Subsidiaries, Associates, and Joint Ventures

### 6.8.1 Details of subsidiaries, associate, and joint venture of EGAT

Company	Country of incorporation/ Nationality	Business	Shareholding (%)	
			Dec 31, 15	Dec 31, 14
Subsidiaries				
EGAT International Co., Ltd.	Thailand	Investing in electricity generation and related businesses in foreign countries	100	100
EGAT Diamond Service Co., Ltd.	Thailand	Gas turbine maintenance including components and spare parts	45	45
Ratchaburi Electricity Generating Holding Plc.	Thailand	Investing in companies with the purpose of electricity generation and supply	45	45



Company	Country of incorporation/ Nationality	Business	Shareholding (%)	
			Dec 31, 15	Dec 31, 14
Associate				
Electricity Generating Plc.	Thailand	Generation and supply of electricity	25.41	25.41
Joint venture				
District Cooling System and Power Plant Co., Ltd.	Thailand	Generation and supply of electricity and chilled water	35	35

## 6.8.2 Details of subsidiaries, associates, and joint ventures of subsidiaries

Company	Country of incorporation/ Nationality	Business	Shareholding (%)	
			Dec 31, 15	Dec 31, 14
Direct subsidiaries of subsidiary : Ratchaburi Electricity Generating Holding Plc.				
Ratchaburi Electricity Generating Co., Ltd.	Thailand	Generation and supply of electricity and investment in electricity business	100	100
Ratchaburi Energy Co., Ltd.	Thailand	Power plant development and operation and investment in electricity business	100	100
RATCH - Lao Services Co., Ltd.	Lao PDR	Operation and maintenance services	100	100
RH International Corporation Ltd.	Thailand	Investment in electricity business	100	100
RATCH O&M Co., Ltd.	Thailand	Operation and maintenance services	100	100
Tri Energy Co., Ltd. (In liquidation process)	Thailand	Generation and supply of electricity	100	100
Ratchaburi Alliances Co., Ltd.	Thailand	Investment in electricity business	100	100
Indirect subsidiaries of subsidiary : Ratchaburi Electricity Generating Holding Plc.				
RH International (Mauritius) Corporation Ltd.	Mauritius	Investment in electricity business in foreign country	100	100
RH International (Singapore) Corporation Ltd.	Singapore	Investment in electricity business in foreign country	100	100
RATCH - Australia Corporation Ltd. and its subsidiaries	Australia	Power plant development and operation and investment in electricity business	80	80
RATCH - China Power Co., Ltd.	Hongkong	Investment in electricity business in foreign country	100	-
RE Solar 1 Co., Ltd.	Thailand	Generation and supply of electricity	100	-

Company	Country of incorporation/ Nationality	Business	Shareholding (%)	
			Dec 31, 15	Dec 31, 14
Associated company of subsidiary: EGAT International Co., Ltd.				
Nam Ngiep1 Power Co., Ltd.	Lao PDR	Generation and supply of electricity	30	30
Associates of subsidiary: Ratchaburi Electricity Generating Holding Plc.				
First Korat Wind Co., Ltd.	Thailand	Generation and supply of electricity	20	20
K.R. Two Co., Ltd.	Thailand	Generation and supply of electricity	20	20
Perth Power Partnership (Kwinana)	Australia	Generation and supply of electricity	24	24
Joint ventures of subsidiary: Ratchaburi Electricity Generating Holding Plc.				
Chubu Ratchaburi Electric Services Co., Ltd.	Thailand	Operation and maintenance services	50	50
South East Asia Energy Ltd. and subsidiary	Thailand	Investment in electricity business	33.33	33.33
Nam Ngum 3 Power Co., Ltd.	Lao PDR	Generation and supply of electricity	25	25
Xe-Pien Xe-Nam Noy Power Co., Ltd.	Lao PDR	Generation and supply of electricity	25	25
KK Power Co., Ltd.	Cambodia	Generation and supply of electricity	50	50
Ratchaburi Power Co., Ltd.	Thailand	Generation and supply of electricity	25	25
Nava Nakorn Electricity Generating Co., Ltd.	Thailand	Generation and supply of electricity and steam	40	40
Ratchaburi World Cogeneration Co., Ltd.	Thailand	Generation and supply of electricity and steam	40	40
Solarta Co., Ltd.	Thailand	Generation and supply of electricity	49	49
Solar Power (Korat 3) Co., Ltd.	Thailand	Generation and supply of electricity	40	40
Solar Power (Korat 4) Co., Ltd.	Thailand	Generation and supply of electricity	40	40
Solar Power (Korat 7) Co., Ltd.	Thailand	Generation and supply of electricity	40	40
Songkhla Biomass Co., Ltd.	Thailand	Generation and supply of electricity	40	40
Songkhla Biofuel Co., Ltd.	Thailand	Supply the biomass fuel	40	40
Ayudhya Power Co., Ltd.	Thailand	Generation and supply of electricity	-	45
Oversea Green Energy Co., Ltd.	Thailand	Power plant management services	60	60
Berkprai Cogeneration Co., Ltd.	Thailand	Generation and supply of electricity and steam	35	35
Hongsa Power Co., Ltd.	Lao PDR	Generation and supply of electricity	40	40
Phufai Mining Co., Ltd.	Lao PDR	Generation and supply of coal	37.50	37.50
RICI International Investment Co., Ltd.	Singapore	Investment in electricity business in foreign country	60	60



### 6.8.3 Investments in associates and joint ventures in the consolidated financial statements

Company	Unit : Million Baht							
	Shareholding (%)		Cost Method		Equity Method		Dividend	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
<b>Associates</b>								
Electricity Generating Plc.	25.41	25.41	1,587.55	1,587.55	18,670.03	17,659.36	836.08	836.08
Nam Ngiep 1 Power Co., Ltd.	30	30	966.76	926.16	681.81	643.93	-	-
First Korat Wind Co., Ltd.	20	20	399.20	399.20	518.31	530.69	122.00	112.00
K.R. Two Co., Ltd.	20	20	365.40	365.40	418.83	427.69	104.00	124.10
Perth Power Partnership (Kwinana)	24	24	618.53	618.53	573.97	642.88	118.10	72.46
Total Associates			3,937.44	3,896.84	20,862.95	19,904.55	1,180.18	1,144.64
<b>Joint ventures</b>								
District Cooling System and Power Plant Co., Ltd.	35	35	584.50	584.50	706.73	643.55	15.36	-
Chubu Ratchaburi Electric □ Services Co., Ltd.	50	50	10.00	10.00	88.54	79.27	-	20.00
South East Asia Energy Ltd. and its subsidiary	33.33	33.33	2,202.25	2,202.25	3,057.12	2,993.55	79.28	72.67
Nam Ngum 3 Power Co., Ltd.	25	25	0.45	0.45	-	-	-	-
Xe-Pien Xe-Nam Noy □ Power Co., Ltd.	25	25	934.22	675.32	1,101.57	647.72	-	-
KK Power Co., Ltd.	50	50	15.44	15.44	-	-	-	-
Ratchaburi Power Co., Ltd.	25	25	1,831.25	1,831.25	4,068.13	4,054.63	480.00	400.00
Nava Nakorn Electricity □ Generating Co., Ltd.	40	40	400.80	400.80	353.84	368.58	-	-
Ratchaburi World □ Cogeneration Co., Ltd.	40	40	1,000.00	500.00	1,162.01	526.37	-	-
Solarta Co., Ltd.	49	49	545.96	545.96	929.35	808.80	51.74	105.43
Solar Power (Korat 3) Co., Ltd.	40	40	75.50	75.50	99.62	109.41	33.83	7.93
Solar Power (Korat 4) Co., Ltd.	40	40	79.70	77.96	97.90	106.38	33.55	12.51
Solar Power (Korat 7) Co., Ltd.	40	40	75.50	74.20	93.65	101.93	34.49	15.93
Songkhla Biomass Co., Ltd.	40	40	98.40	80.00	76.24	71.83	-	-
Songkhla Biofuel Co., Ltd.	40	40	0.40	0.40	0.37	0.37	-	-
Ayudhya Power Co., Ltd.	-	45	-	18.10	-	13.93	-	-
Oversea Green Energy Co., Ltd.	60	60	9.60	0.60	8.37	0.59	-	-
Berkprai Cogeneration Co., Ltd.	35	35	8.75	8.75	8.55	8.51	-	-
Hongsa Power Co., Ltd.	40	40	6,019.82	983.12	4,561.57	-	-	-
Phufai Mining Co., Ltd.	37.50	37.50	0.63	0.63	26.44	0.27	-	-
RICI International Investment Co., Ltd.	60	-	306.57	-	315.33	-	-	-
Total Joint Ventures			14,199.74	8,085.23	16,755.33	10,535.69	728.25	634.47
Grand Total			18,137.18	11,982.07	37,618.28	30,440.24	1,908.43	1,779.11

During the year 2015, a subsidiary of EGAT had paid up the increased share capital of Hongsa Power Co., Ltd., Ratchaburi World Cogeneration Co., Ltd., Songkhla Biomass Co., Ltd., Xe - Pien Xe - Nam Noy Power Co., Ltd., Oversea Green Energy Co., Ltd., Solar Power (Korat 4) Co., Ltd., Solar Power (Korat 7) Co., Ltd. and had invested in RIC International Investment Co., Ltd., which are joint ventures. And EGAT had paid up the increased share capital of Nam Ngiep 1 Power Co., Ltd. which is an associate of subsidiary of EGAT.

#### 6.8.4 Investments in subsidiaries, associate, and joint venture in the separate financial statements

Company	Unit : Million Baht					
	Shareholding (%)		Cost Method		Dividend	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
<b>Subsidiaries</b>						
EGAT International Co., Ltd.	100	100	6,108.00	4,362.00	-	-
EGAT Diamond Service Co., Ltd.	45	45	280.35	280.35	-	-
Ratchaburi Electricity Generating Holding Plc.	45	45	6,525.00	6,525.00	1,481.18	1,481.18
Total Subsidiaries			12,913.35	11,167.35	1,481.18	1,481.18
<b>Associate</b>						
Electricity Generating Plc.	25.41	25.41	1,587.55	1,587.55	836.08	836.08
Total Associate			1,587.55	1,587.55	836.08	836.08
<b>Joint venture</b>						
District Cooling System and Power Plant Co., Ltd.	35	35	584.50	584.50	15.36	-
Total Joint Venture			584.50	584.50	15.36	-
Grand Total			15,085.40	13,339.40	2,332.62	2,317.26





## 6.8.5 Movements in investments in the consolidated financial statements and the separate financial statements

6.8.5.1 Movements in investments in associates and joint ventures accounted under the equity method in the consolidated financial statements

	Unit : Million Baht	
	Dec 31, 15	Dec 31, 14
Balance at the beginning (Before adjustment)	29,796.69	30,204.08
Change in accounting policy	643.55	545.20
Balance at the beginning (After adjustment)	30,440.24	30,749.28
Share of profit from investments - equity method	2,314.28	2,466.51
Retained earnings - legal reserve	4.37	-
Additional payment of share capital in joint ventures	6,132.61	417.28
Additional payment of share capital in associates	40.60	623.84
Sale of investments in joint ventures	(13.97)	(10.94)
Gain from sale of investments in joint ventures/ associates	-	10.94
Transfer development cost to investment	-	138.87
Investments in joint ventures before changing status	-	(2,163.16)
Available - for - sale investments	51.37	(88.33)
Currency translation differences of the company settled in foreign country	849.54	25.03
Loss from cash flow hedge	(106.27)	(94.71)
Actuarial loss	(18.78)	-
Capital surplus of associates accounted under the equity method	(55.57)	-
Dividend received	(1,908.43)	(1,779.11)
Exchange rate adjustment	92.45	(59.42)
Others	(204.16)	204.16
Balance at the end (After adjustment)	<u>37,618.28</u>	<u>30,440.24</u>

6.8.5.2 Movements in investments in subsidiaries, associate, and joint venture accounted for under the cost method in the separate financial statements

	Unit : Million Baht	
	Dec 31, 15	Dec 31, 14
Balance at the beginning	13,339.40	12,085.40
Additional investments	1,746.00	1,254.00
Balance at the end	<u>15,085.40</u>	<u>13,339.40</u>



## 6.8.6 Financial information of subsidiaries that have material non-controlling interests, associate, and joint venture

6.8.6.1 Financial information of subsidiaries that have material non-controlling interests are as follow:

Company	Country of incorporation/ Nationality	Non-controlling interests Shareholding (%)	
		2015	2014
EGAT Diamond Service Co., Ltd.	Thailand	55	55
Ratchaburi Electricity Generating Holding Plc.	Thailand	55	55

Financial information of subsidiaries that have material non-controlling interests after accounting policy adjustment, before eliminations:

Summary of financial position as at December 31, 2015 and 2014

	2015		2014	
	EDS	RATCH	EDS	RATCH
Current assets	112.63	25,983.50	150.06	31,407.67
Non-current assets	409.23	66,621.56	439.62	64,827.36
Current liabilities	(50.34)	(11,658.07)	(86.37)	(16,049.97)
Non-current liabilities	(41.74)	(20,527.15)	(72.60)	(18,985.67)
Net assets	429.78	60,419.84	430.71	61,199.39
Owners of the parent	193.40	27,188.93	193.82	27,539.73
Non-controlling interests	236.38	33,230.91	236.89	33,659.66



Summary of comprehensive income or loss for the years ended December 31, 2015 and 2014

Unit : Million Baht

	2015		2014	
	EDS	RATCH	EDS	RATCH
Revenues	172.69	59,326.28	207.85	59,048.31
Expenses	(175.20)	(54,903.64)	(195.22)	(51,638.78)
Profit (loss) before taxes	(2.51)	4,422.64	12.63	7,409.53
Income taxes	-	(1,407.72)	-	(1,269.38)
Net profit (loss)	(2.51)	3,014.92	12.63	6,140.15
Other comprehensive income (loss)	1.58	(502.98)	-	(679.40)
Total comprehensive income (loss)	(0.93)	2,511.94	12.63	5,460.75
Owners of EGAT	(0.42)	1,130.37	5.68	2,457.34
Non - controlling interests	(0.51)	1,381.57	6.95	3,003.41
Total dividend paid to Non - controlling interests	-	1,810.60	-	1,810.60

Summary of cash flows for the years ended December 31, 2015 and 2014

Unit : Million Baht

	2015		2014	
	EDS	RATCH	EDS	RATCH
Operating activities	42.55	9,256.17	26.48	9,841.55
Investing activities	(6.91)	(6,248.03)	(14.26)	(2,419.72)
Financing activities	(34.17)	(6,740.69)	(25.69)	(4,366.29)
Others	-	574.02	-	129.73
Net increase (decrease) in cash and cash equivalents	1.47	(3,158.53)	(13.47)	3,185.27

6.8.6.2 Financial information of the associate of EGAT, after accounting policy adjustment is as follows:

Summary of financial position as at December 31, 2015 and 2014 - Electricity Generating Plc.

Unit : Million Baht

	2015	2014
Current assets	19,403.18	17,136.89
Non - current assets	158,675.84	142,875.54
Current liabilities	(15,918.94)	(18,733.88)
Non - current liabilities	(88,176.74)	(70,825.62)
Net assets	73,983.34	70,452.93

Summary of profit or loss for the years ended December 31, 2015 and 2014 - Electricity Generating Plc.

	<b>Unit : Million Baht</b>	
	<b>2015</b>	<b>2014</b>
Revenues*	24,902.61	24,687.33
Expenses	(19,791.94)	(18,583.11)
Profit (loss) before taxes	5,110.67	6,104.22
Income taxes	(750.40)	(751.22)
Net profit (loss)	4,360.27	5,353.00

\* Including gain (loss) on foreign exchange rate

6.8.6.3 Financial information of the joint venture of EGAT, after accounting policy adjustment is as follows:

Summary of financial position as at December 31, 2015 and 2014 - District Cooling System and Power Plant Co., Ltd.

	<b>Unit : Million Baht</b>	
	<b>2015</b>	<b>2014</b>
Current assets	1,010.73	929.78
Non - current assets	2,924.31	3,085.85
Current liabilities	(699.94)	(580.01)
Non - current liabilities	(1,195.88)	(1,572.92)
Net assets	2,039.22	1,862.70

Summary of profit or loss for the years ended December 31, 2015 and 2014 - District Cooling System and Power Plant Co., Ltd.

	<b>Unit : Million Baht</b>	
	<b>2015</b>	<b>2014</b>
Revenues*	2,918.15	3,045.76
Expenses	(2,639.05)	(2,760.06)
Profit (loss) before taxes	279.10	285.70
Income taxes	(60.30)	(8.93)
Net profit (loss)	218.80	276.77

\* Including gain (loss) on foreign exchange rate



## 6.9 Property, Plant and Equipment comprise

Consolidated financial statement															Unit : Million Baht	
	Land	Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system	Communication system	Coal handling system	Machinery	Large - sized spare parts for mine equipment	Vehicles	Other materials and supplies	Deferred charges of major inspection fee	Adjustment in consolidated from profit on sale of power plants	Total
Cost as at Jan 1, 15	8,948.78	29,377.31	29,094.25	304,526.16	35,471.05	867.82	162,820.12	6,939.31	6,174.20	6,549.87	42.85	2,989.70	10,564.10	5,992.28	(20.98)	610,336.82
Effects on change in accounting policy adjustment	-	(55.87)	-	(1,696.71)	-	-	-	-	-	-	-	-	(1.51)	-	20.98	(1,733.11)
Effect on business acquisitions adjustment and TFRIC 4	(30.92)	-	-	46.75	(15.83)	-	-	-	-	-	-	-	-	-	-	-
Cost as at Jan 1, 15 (Adjusted)	8,917.86	29,321.44	29,094.25	302,876.20	35,455.22	867.82	162,820.12	6,939.31	6,174.20	6,549.87	42.85	2,989.70	10,562.59	5,992.28	-	608,603.71
Increase during the year	893.16	12.76	-	349.68	428.58	-	154.71	6.78	-	417.00	-	166.71	1,198.69	-	-	3,628.07
Transferred from work under construction	-	1,880.59	270.91	20,363.28	1,206.70	3.74	9,879.59	152.57	309.81	7.32	-	-	16.38	2,725.45	-	36,816.34
Exchange rate differences from currency translation	(11.57)	9.65	-	(464.67)	-	-	-	-	-	-	-	-	(0.08)	-	-	(466.67)
Reclassification	-	(0.70)	1.98	202.73	(206.54)	-	(0.37)	0.48	-	2.59	-	(2.53)	(1.81)	-	-	(4.17)
Disposal / write - off	(21.46)	(41.41)	-	(420.66)	(161.47)	(15.13)	(904.73)	(93.09)	-	(153.67)	-	(139.81)	(481.36)	(1,982.89)	-	(4,415.68)
Cost as at Dec 31, 15	9,777.99	31,182.33	29,367.14	322,906.56	36,722.49	856.43	171,949.32	7,006.05	6,484.01	6,823.11	42.85	3,014.07	11,294.41	6,734.84	-	644,161.60
Accumulated depreciation / Amortization as at Jan 1, 15	-	(18,790.38)	(10,563.48)	(187,014.37)	(21,442.91)	(729.16)	(81,760.19)	(5,852.23)	(4,669.14)	(5,294.42)	(42.85)	(2,455.13)	(7,821.09)	(2,805.01)	12.59	(349,227.77)
Effects on change in accounting policy adjustment	-	22.88	-	668.44	-	-	-	-	-	-	-	-	0.80	-	(12.59)	679.53
Accumulated depreciation / Amortization as at Jan 1, 15 (Adjusted)	-	(18,767.50)	(10,563.48)	(186,345.93)	(21,442.91)	(729.16)	(81,760.19)	(5,852.23)	(4,669.14)	(5,294.42)	(42.85)	(2,455.13)	(7,820.29)	(2,805.01)	-	(348,548.24)
Depreciation/Amortization for the year	-	(1,138.06)	(458.06)	(10,893.40)	(3,527.94)	(30.23)	(5,699.91)	(247.45)	(133.73)	(256.98)	-	(154.31)	(718.07)	(2,143.57)	-	(25,401.71)
Exchange rate differences from currency translation	-	0.60	-	191.32	-	-	-	-	-	-	-	-	0.02	-	-	191.94
Reclassification	-	0.36	(0.42)	(129.55)	130.49	-	0.37	(0.21)	-	(0.79)	-	0.79	(0.15)	-	-	0.89
Disposal / write - off	-	38.00	-	136.09	161.47	11.84	692.70	91.34	-	153.67	-	137.78	476.38	1,982.89	-	3,882.16
Accumulated depreciation / Amortization as at Dec 31, 15	-	(19,866.60)	(11,021.96)	(197,041.47)	(24,678.89)	(747.55)	(86,767.03)	(6,008.55)	(4,802.87)	(5,398.52)	(42.85)	(2,470.87)	(8,062.11)	(2,965.69)	-	(369,874.96)
Accumulated impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at Jan 1, 15	-	(1.18)	-	(1,034.02)	-	-	-	-	-	-	-	-	-	-	-	(1,035.20)
As at Dec 31, 15	-	(1.18)	-	(1,034.02)	-	-	-	-	-	-	-	-	-	-	-	(1,035.20)
Net book value																
As at Dec 31, 14	8,917.86	10,552.76	18,530.77	115,496.25	14,012.31	138.66	81,059.93	1,087.08	1,505.06	1,255.45	-	534.57	2,742.30	3,187.27	-	259,020.27
As at Dec 31, 15	9,777.99	11,314.55	18,345.18	124,831.07	12,043.60	108.88	85,182.29	997.50	1,681.14	1,424.59	-	543.20	3,232.30	3,769.15	-	273,251.44



Unit : Million Baht

## Separate financial statement

	Land	Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system	Communication system	Coal handling system	Machinery	Large - sized spare parts for mine equipment	Vehicles	Other materials and supplies	Deferred charges of major inspection fee	Total
<b>Cost as at Jan 1, 15</b>	<b>7,480.41</b>	<b>28,626.12</b>	<b>29,094.25</b>	<b>279,383.97</b>	<b>35,455.22</b>	<b>867.82</b>	<b>162,820.12</b>	<b>6,939.31</b>	<b>6,174.20</b>	<b>6,358.71</b>	<b>42.85</b>	<b>2,944.76</b>	<b>9,951.23</b>	<b>5,992.28</b>	<b>582,131.25</b>
Increase during the year	893.16	12.45	-	1.43	428.58	-	154.71	6.78	-	416.96	-	166.71	1,181.97	-	3,262.75
Transferred from work under construction	-	1,880.52	270.91	20,347.87	1,206.70	3.74	9,879.59	152.57	309.81	3.50	-	-	9.69	2,725.45	36,790.35
Reclassification	-	(0.70)	1.98	202.73	(206.54)	-	(0.37)	0.48	-	2.59	-	(2.53)	(1.81)	-	(4.17)
Disposal / write - off	-	(41.41)	-	(232.10)	(161.47)	(15.13)	(904.73)	(93.09)	-	(153.67)	-	(119.15)	(469.72)	(1,982.89)	(4,173.36)
<b>Cost as at Dec 31, 15</b>	<b>8,373.57</b>	<b>30,476.98</b>	<b>29,367.14</b>	<b>299,703.90</b>	<b>36,722.49</b>	<b>856.43</b>	<b>171,949.32</b>	<b>7,006.05</b>	<b>6,484.01</b>	<b>6,628.09</b>	<b>42.85</b>	<b>2,989.79</b>	<b>10,671.36</b>	<b>6,734.84</b>	<b>618,006.82</b>
<b>Accumulated depreciation / Amortization as at Jan 1, 15</b>	<b>-</b>	<b>(18,637.86)</b>	<b>(10,563.48)</b>	<b>(176,337.06)</b>	<b>(21,442.91)</b>	<b>(729.16)</b>	<b>(81,760.19)</b>	<b>(5,852.23)</b>	<b>(4,669.14)</b>	<b>(5,262.80)</b>	<b>(42.85)</b>	<b>(2,415.85)</b>	<b>(7,488.15)</b>	<b>(2,805.01)</b>	<b>(338,006.69)</b>
Depreciation/Amortization for the year	-	(1,102.09)	(458.06)	(9,991.63)	(3,527.94)	(30.23)	(5,699.91)	(247.45)	(133.73)	(237.52)	-	(151.80)	(629.00)	(2,143.57)	(24,352.93)
Reclassification	-	0.36	(0.42)	(129.55)	130.49	-	0.37	(0.21)	-	(0.79)	-	0.79	(0.15)	-	0.89
Disposal / write - off	-	38.00	-	16.96	161.47	11.84	692.70	91.34	-	153.67	-	119.15	465.48	1,982.89	3,733.50
<b>Accumulated depreciation / Amortization as at Dec 31, 15</b>	<b>-</b>	<b>(19,701.59)</b>	<b>(11,021.96)</b>	<b>(186,441.28)</b>	<b>(24,678.89)</b>	<b>(747.55)</b>	<b>(86,767.03)</b>	<b>(6,008.55)</b>	<b>(4,802.87)</b>	<b>(5,347.44)</b>	<b>(42.85)</b>	<b>(2,447.71)</b>	<b>(7,651.82)</b>	<b>(2,965.69)</b>	<b>(358,625.23)</b>
<b>Accumulated impairment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15.33)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15.33)</b>
<b>As at Jan 1, 15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15.33)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15.33)</b>
<b>As at Dec 31, 15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15.33)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>	<b>7,480.41</b>	<b>9,988.26</b>	<b>18,530.77</b>	<b>103,031.58</b>	<b>14,012.31</b>	<b>138.66</b>	<b>81,059.93</b>	<b>1,087.08</b>	<b>1,505.06</b>	<b>1,095.91</b>	<b>-</b>	<b>528.91</b>	<b>2,463.08</b>	<b>3,187.27</b>	<b>244,109.23</b>
<b>As at Dec 31, 14</b>	<b>8,373.57</b>	<b>10,775.39</b>	<b>18,345.18</b>	<b>113,247.29</b>	<b>12,043.60</b>	<b>108.88</b>	<b>85,182.29</b>	<b>997.50</b>	<b>1,681.14</b>	<b>1,280.65</b>	<b>-</b>	<b>542.08</b>	<b>3,019.54</b>	<b>3,769.15</b>	<b>259,366.26</b>

EGAT's property, plant and equipment has included other asset financial lease agreements (other than power plants), which the ownership of such assets will not be

transferred to EGAT at the end of the lease periods, in property, plant and equipment. As at Dec 31, 2015, the cost value of these assets are Baht 52.99 million, accumulated depreciation are baht 2.54 million, and net book value are Baht 50.45 million.





As at December 31, 2015 and 2014, EGAT has buildings and equipment fully accumulated depreciation, while being in use. The cost value of these assets before deduction of accumulated depreciation were Baht 120,925.48 million and Baht 106,615.07 million respectively, which comprise

	<b>Unit : Million Baht</b>	
	<b>Separate financial statement</b>	
	<b>Dec 31, 15</b>	<b>Dec 31, 14</b>
Structures	10,009.78	9,503.82
Reservoirs and dams	15.50	15.50
Power Plants	63,830.53	53,674.54
Equipment for power plants	10,743.48	9,634.43
Control system	459.85	457.59
Transmission system	17,357.33	15,131.13
Communication system	4,778.90	4,403.08
Coal handling system	3,260.52	3,260.52
Machinery	3,685.42	3,734.90
Large - sized spare parts for mine equipment	42.85	42.85
Vehicles	1,886.62	1,925.01
Other materials and supplies	4,854.70	4,831.70
Total	<u>120,925.48</u>	<u>106,615.07</u>

As at December 31, 2015, Nong Jok power plant - unit 2 and 3 with some equipments of Lankrabue power plant - unit 11 were sent to Japan for alleviating the electricity shortage during the summer of 2011 due to a natural disaster Tsunami. The cost value of the power plants and the equipments are Baht 1,924.34 million and Baht 61.06 million respectively. They have fully accumulated depreciation, so the remaining net book values are Baht 47 and Baht 2, respectively.



## 6.10 Work under Construction comprise

Consolidated financial statement															Unit : Million Baht
Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system and exploration	Communication system	Coal handling system	Machinery	Other materials and supplies	Major inspection fee	Computer Software	Research and development	Materials for work under construction of transmission system	Materials in transportation	Total
1,981.20	463.61	12,491.38	-	25.84	19,619.56	403.69	749.39	3.77	13.93	599.96	1.30	-	2,238.48	7,012.89	45,605.00
-	-	(4.13)	-	-	-	-	-	-	-	-	-	-	-	-	(4.13)
1,981.20	463.61	12,487.25	-	25.84	19,619.56	403.69	749.39	3.77	13.93	599.96	1.30	-	2,238.48	7,012.89	45,600.87
2,438.27	90.49	14,875.65	574.87	5.16	9,543.40	187.78	300.60	0.05	14.53	2,578.45	20.72	3.22	2,813.45	6,974.57	40,421.21
-	-	5.60	-	-	-	-	-	-	(5.60)	-	-	-	-	-	-
4,419.47	554.10	27,368.50	574.87	31.00	29,162.96	591.47	1,049.99	3.82	22.86	3,178.41	22.02	3.22	5,051.93	13,987.46	86,022.08
(1,880.53)	(270.91)	(20,995.11)	(574.87)	(3.27)	(9,873.93)	(152.57)	(309.81)	(3.82)	(19.94)	(2,725.45)	(6.12)	-	(6.13)	-	(36,822.46)
-	-	-	-	-	-	-	-	-	-	-	-	-	(3,134.63)	(8,857.11)	(11,991.74)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2,538.94	283.19	6,373.39	-	27.73	19,289.03	438.90	740.18	-	2.92	452.96	15.90	3.22	1,911.17	3,596.60	35,674.13

Separate financial statement														Unit : Million Baht
Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system and exploration	Communication system	Coal handling system	Other materials and supplies	Major inspection fee	Computer Software	Research and development	Materials for work under construction of transmission system	Materials in transportation	Total
1,981.20	463.61	12,487.25	-	25.84	19,619.56	403.69	749.39	7.74	599.96	1.30	-	2,238.48	7,012.89	45,590.91
2,438.26	90.49	14,865.84	574.87	5.16	9,543.40	187.78	300.60	5.45	2,578.45	20.72	3.22	2,813.45	6,974.57	40,402.26
4,419.46	554.10	27,353.09	574.87	31.00	29,162.96	591.47	1,049.99	13.19	3,178.41	22.02	3.22	5,051.93	13,987.46	85,993.17
(1,880.52)	(270.91)	(20,979.70)	(574.87)	(3.27)	(9,873.93)	(152.57)	(309.81)	(13.19)	(2,725.45)	(6.12)	-	(6.13)	-	(36,796.47)
-	-	-	-	-	-	-	-	-	-	-	-	(3,134.63)	(8,857.11)	(11,991.74)
-	-	-	-	-	-	-	-	-	-	-	-	-	(1,533.75)	(1,533.75)
2,538.94	283.19	6,373.39	-	27.73	19,289.03	438.90	740.18	-	452.96	15.90	3.22	1,911.17	3,596.60	35,671.21

Borrowing costs in the amount of Baht 376.45 million are from loans for construction of power plants and transmission expansion, which are capitalized to cost of assets, included in the increasing during the year and presented in investing activities of the statements of cash flows.



EGAT had work under construction project as follows:

Project	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Expand Transmission System Project	21,284.20	21,470.21	21,284.20	21,470.21
Chana Combined Cycle Power Plant Project - Block 2	112.09	104.53	112.09	104.53
North Bangkok Combined Cycle Power Plant Project - Block 2	56.98	12,055.40	56.98	12,055.40
Wang Noi Combined Cycle Power Plant Project - Block 4	211.96	200.17	211.96	200.17
Mae Moh Thermal Power Plant Project (Replacement) - Units 4-7	1,567.95	-	1,567.95	-
Others	12,440.95	11,770.56	12,438.03	11,760.60
Total	35,674.13	45,600.87	35,671.21	45,590.91

As at December 31, 2015, Mae Moh Thermal Power Plant Project (Replacement) - Units 4-7 had 18.10 percentages of completion.

Three power plants were completed and transferred to asset comprise the North Bangkok Combined Cycle Power Plant Project - Block 2 on December 1, 2015, Chana Combined Cycle Power Plant Project - Block 2 on April 8, 2014 (Train 1) and May 9, 2014 (Train 2) and Wang Noi Combined Cycle Power Plant Project - Block 4 on March 9, 2014. However, the three projects have incomplete construction in the remaining part of the additional surrounding development in the power plants (Facilities) that will be transferred to asset after completion.

#### 6.11 Goodwill comprise

	Unit : Million Baht	
	Consolidated financial statement	
	Dec 31, 15	Dec 31, 14
Balance at the beginning	648.90	763.74
Decrease from disposal of investment	-	(117.08)
Differences from exchange rate adjustment	25.94	2.24
	674.84	648.90
<b>Less:</b> Allowance for impairment	(375.37)	(375.37)
Balance at the end	299.47	273.53

## 6.12 Other Intangible Assets comprise

Unit : Million Baht

	Consolidated financial statement						Total
	Land rights	Computer software rights and software license	Royalty on state property service	Gas piped system rights	Transmission system connection rights	Project development rights	
Cost as at Jan 1, 15	27,318.90	1,774.71	474.77	6.25	29.69	6,251.83	35,856.15
Effects on change in accounting policy adjustment	-	(2.29)	-	(6.25)	-	-	(8.54)
Cost as at Jan 1, 15 (adjusted)	27,318.90	1,772.42	474.77	-	29.69	6,251.83	35,847.61
Increase during the year	703.49	72.86	-	-	-	-	776.35
Transferred from work under construction	-	6.12	-	-	-	-	6.12
Exchange rate differences from currency translation	-	(2.24)	-	-	-	(65.44)	(67.68)
Reclassification	-	(0.38)	-	-	(29.69)	-	(30.07)
Disposal / write - off	-	(20.90)	-	-	-	-	(20.90)
Cost as at Dec 31, 15	28,022.39	1,827.88	474.77	-	-	6,186.39	36,511.43
Accumulated amortization as at Jan 1, 15	(3,839.82)	(1,167.92)	(260.88)	(2.66)	(17.20)	(1,925.94)	(7,214.42)
Effects on change in accounting policy adjustment	-	0.56	-	2.66	-	-	3.22
Accumulated amortization as at Jan 1, 15 (adjusted)	(3,839.82)	(1,167.36)	(260.88)	-	(17.20)	(1,925.94)	(7,211.20)
Amortization for the year	(0.89)	(241.58)	(6.34)	-	(3.02)	(265.09)	(516.92)
Exchange rate differences from currency translation	-	0.15	-	-	-	33.83	33.98
Reclassification	-	0.24	-	-	20.22	-	20.46
Disposal / write - off	-	20.87	-	-	-	-	20.87
Accumulated amortization as at Dec 31, 15	(3,840.71)	(1,387.68)	(267.22)	-	-	(2,157.20)	(7,652.81)
Net book value							
As at Dec 31, 14	23,479.08	605.06	213.89	-	12.49	4,325.89	28,636.41
As at Dec 31, 15	24,181.68	440.20	207.55	-	-	4,029.19	28,858.62





Unit : Million Baht

	Separate financial statement			
	Land rights	Computer software rights and software license	Royalty on state property service	Total
<b>Cost as at Jan 1, 15</b>	<b>27,318.90</b>	<b>1,673.90</b>	<b>474.77</b>	<b>29,467.57</b>
Increase during the year	703.49	41.29	-	744.78
Transferred from work under construction	-	6.12	-	6.12
Reclassification	-	(0.38)	-	(0.38)
Disposal / write - off	-	(20.90)	-	(20.90)
<b>Cost as at Dec 31, 15</b>	<b>28,022.39</b>	<b>1,700.03</b>	<b>474.77</b>	<b>30,197.19</b>
<b>Accumulated amortization</b>				
as at Jan 1, 15	(3,839.82)	(1,115.24)	(260.88)	(5,215.94)
Amortization for the year	(0.89)	(224.92)	(6.34)	(232.15)
Reclassification	-	0.24	-	0.24
Disposal / write - off	-	20.87	-	20.87
<b>Accumulated amortization as at Dec 31, 15</b>	<b>(3,840.71)</b>	<b>(1,319.05)</b>	<b>(267.22)</b>	<b>(5,426.98)</b>
<b>Net book value</b>				
As at Dec 31, 14	23,479.08	558.66	213.89	24,251.63
As at Dec 31, 15	24,181.68	380.98	207.55	24,770.21

### 6.13 Land Awaiting Development comprise

Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Balance at the beginning	2,557.59	2,548.72	2,239.51	2,239.51
Increase (Decrease) during the year	(8.87)	8.87	-	-
	2,548.72	2,557.59	2,239.51	2,239.51
<b>Less: Allowance for impairment</b>	<b>(423.43)</b>	<b>(423.43)</b>	<b>(423.43)</b>	<b>(423.43)</b>
<b>Balance at the end</b>	<b>2,125.29</b>	<b>2,134.16</b>	<b>1,816.08</b>	<b>1,816.08</b>





As at December 31, 2015, EGAT has had the land awaiting development of Baht 1,816.08 million appropriated for construction of new power plants to support the additional demand of electric energy. Due to the change in power development planning, the construction of new power plants has been postponed. Details of the land awaiting development are comprised of:

- Land at Ao - Phai, Chonburi Province of 122 Rai is valued at Baht 9.05 million.

- Land at Tap Sakae, Prachuap Khiri Khan Province of 4,029 Rai is valued at Baht 2,223.43 million with accumulated impairment in the amount of Baht 423.43 million. As a result, the net book value of land was Baht 1,800 million.

- Land surrounding Carrier Gas Station on Phet Kasem Road at Ratchaburi Province of 37 Rai is valued at Baht 3.75 million.

- Land surrounding Bannasan substation at Nampu, Bannasan, Suratthani Province is valued at Baht 3.28 million.

## 6.14 Income Taxes and Deferred Taxes

### 6.14.1 Income taxes

	Unit : Million Baht	
	Consolidated financial statement	
	2015	2014
Income taxes :		
Current income taxes	1,223.18	1,460.46
Income taxes of previous year which is over recorded	7.90	(14.51)
Total	1,231.08	1,445.95
Deferred taxes :		
Change in temporary differences	176.64	(176.57)
Total	176.64	(176.57)
Grand total	1,407.72	1,269.38



#### 6.14.2 Deferred tax assets and deferred tax liabilities

Unit : Million Baht

	Consolidated financial statement			
	Assets		Liabilities	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Deferred tax assets (liabilities)	6,321.73	7,455.99	(8,172.66)	(9,169.70)
Set - off of taxes	(6,214.35)	(7,404.37)	6,214.35	7,404.37
Net deferred tax assets (liabilities)	107.38	51.62	(1,958.31)	(1,765.33)

#### 6.14.3 Movements in deferred tax assets and deferred tax liabilities

Unit : Million Baht

	Consolidated financial statement				
	As at	Business	Gain or	Exchange rate	As at
	Jan 1, 15	Combination	Loss	differences	Dec 31, 15
Deferred tax assets :					
Allowance for obsolescence of spare parts and supplies and allowance for declining in value of spare parts and supplies	222.76	-	41.36	-	264.12
Property, plant and equipment	6,129.64	-	(705.20)	-	5,424.44
Provision for employee benefits	22.02	-	3.40	-	25.42
Finance leases liabilities	0.07	-	0.02	-	0.09
Loss carry forward	1,081.50	-	(449.25)	(24.59)	607.66
Total	7,455.99	-	(1,109.67)	(24.59)	6,321.73
Deferred tax liabilities :					
Depreciation and amortization	(2,609.37)	-	162.82	59.10	(2,387.45)
Finance leases receivable - related parties	(6,323.68)	-	685.52	-	(5,638.16)
Others	(236.65)	-	84.69	4.91	(147.05)
Total	(9,169.70)	-	933.03	64.01	(8,172.66)



Unit : Million Baht

Consolidated financial statement

	As at Jan 1, 14	Business Combination	Gain or Loss	Exchange rate differences	As at Dec 31, 14
Deferred tax assets :					
Allowance for obsolescence of spare parts and supplies	122.07	60.06	40.63	-	222.76
Property, plant and equipment	5,230.15	1,556.84	(657.35)	-	6,129.64
Provision for employee benefits	18.92	-	3.10	-	22.02
Finance leases liabilities	0.03	-	0.04	-	0.07
Losses carry forward	1,039.49	-	155.70	(113.69)	1,081.50
Total	6,410.66	1,616.90	(457.88)	(113.69)	7,455.99
Deferred tax liabilities :					
Depreciation and amortization	(2,814.93)	-	(17.27)	222.83	(2,609.37)
Finance leases receivable - related parties	(6,738.98)	(324.53)	739.83	-	(6,323.68)
Others	(167.51)	-	(88.11)	18.97	(236.65)
Total	(9,721.42)	(324.53)	634.45	241.80	(9,169.70)



## 6.15 Other Non - Current Assets comprise

Unit : Million Baht

	Consolidated financial statement				
	Overburden removal costs	Minerals resource exploration and preliminary development costs	Resettlement costs	Mineral Patent costs	Total
<b>- Deferred Charges of the Lignite Mine</b>					
Deferred charges as at Jan 1, 15	100,734.45	645.67	1,988.44	281.14	103,649.70
Increase during the year	5,857.88	-	-	-	5,857.88
Deferred charges as at Dec 31, 15	106,592.33	645.67	1,988.44	281.14	109,507.58
Amortization as at Jan 1, 15	(100,734.45)	(325.13)	(1,740.78)	(68.98)	(102,869.34)
Increase during the year	(5,857.88)	(9.40)	(47.91)	(11.25)	(5,926.44)
Amortization as at Dec 31, 15	(106,592.33)	(334.53)	(1,788.69)	(80.23)	(108,795.78)
Net book value					
As at Dec 31, 14	-	320.54	247.66	212.16	780.36
As at Dec 31, 15	-	311.14	199.75	200.91	711.80
<b>- Others</b>					
As at Dec 31, 14					2,273.19
As at Dec 31, 15					2,716.12
<b>Total other non - current assets</b>					
As at Dec 31, 14					3,053.55
As at Dec 31, 15					3,427.92

Unit : Million Baht

	Separate financial statement				
	Overburden removal costs	Minerals resource exploration and preliminary development costs	Resettlement costs	Mineral Patent costs	Total
<b>- Deferred Charges of the Lignite Mine</b>					
Deferred charges as at Jan 1, 15	100,734.45	645.67	1,988.44	281.14	103,649.70
Increase during the year	5,857.88	-	-	-	5,857.88
Deferred charges as at Dec 31, 15	106,592.33	645.67	1,988.44	281.14	109,507.58
Amortization as at Jan 1, 15	(100,734.45)	(325.13)	(1,740.78)	(68.98)	(102,869.34)
Increase during the year	(5,857.88)	(9.40)	(47.91)	(11.25)	(5,926.44)
Amortization as at Dec 31, 15	(106,592.33)	(334.53)	(1,788.69)	(80.23)	(108,795.78)
Net book value					
As at Dec 31, 14	-	320.54	247.66	212.16	780.36
As at Dec 31, 15	-	311.14	199.75	200.91	711.80
<b>- Others</b>					
As at Dec 31, 14					743.33
As at Dec 31, 15					1,707.06
<b>Total other non - current assets</b>					
As at Dec 31, 14					1,523.69
As at Dec 31, 15					2,418.86

**6.16 Trade Accounts Payable - Others** are as follows :

Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Trade payable - electric energy purchased	33,904.05	30,818.94	33,904.05	30,818.94
Trade payable - fuel for electricity generating	8,674.84	10,718.60	8,674.84	10,718.60
Trade payable - fuel for providing	896.90	1,322.00	896.90	1,322.00
Others	9,222.35	11,643.55	2,240.85	2,834.27
<b>Total</b>	<b>52,698.14</b>	<b>54,503.09</b>	<b>45,716.64</b>	<b>45,693.81</b>



## 6.17 Accrued Remittance to the Ministry of Finance

In the year 2015, the Ministry of Finance prescribed that EGAT has to calculate the accrued remittance to the Ministry of Finance in 45% of profit before provision of bonus expense. However, the amount of remittance may vary depending on the revision from the Ministry of Finance. As at January 1, 2015, EGAT has accrued remittance to the Ministry of Finance in the amount of Baht 8,380.71 million which increased in the amount of Baht 60.19 million. On April 29, 2015, EGAT remitted to the Ministry of Finance in accordance with the notice of EGAT no. 921101/33323 in the amount of Baht 8,440.90 million. On August 31, 2015, the Ministry of Finance dispatched an official document in order to inform EGAT about increasing the remittance in amount of Baht 7,000 million and EGAT remitted to the Ministry of Finance in accordance with the notice of EGAT no. 921101/66376.

As at December 31, 2015, EGAT recorded the provision for the remittance to the Ministry of Finance for the year 2015 in the amount of Baht 16,047.08 million. However, in September and October 2015, EGAT remitted for the six months ended June 30, 2015 in the amount of Baht 7,000.00 and 2,833.09 million respectively, totaling Baht 9,833.09 million. Therefore, EGAT has accrued remittance to the Ministry of Finance in the amount of Baht 6,213.99 million as at December 31, 2015.

## 6.18 Long - Term loans comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Balance at the beginning	80,778.94	82,515.28	64,280.62	70,896.37
Increase during the year	2,126.31	10,274.21	-	-
Repayments	(9,464.21)	(11,473.96)	(8,065.86)	(6,457.89)
Gain on exchange rate from repayments	(10.21)	(20.60)	(10.21)	(20.60)
Gain on derivatives from repayments	(0.64)	(1.61)	(0.64)	(1.61)
(Gain) Loss on exchange rate adjustment /				
Exchange rate differences from				
currency translation	1,291.99	(514.38)	(11.44)	(135.65)
Reclassification deferred financing fee				
to other non-current liabilities	22.50	-	-	-
	74,744.68	80,778.94	56,192.47	64,280.62
<b>Less : Current portion of long - term loans</b>	<b>(6,814.54)</b>	<b>(8,827.99)</b>	<b>(5,584.60)</b>	<b>(8,076.72)</b>
<b>Balance at the end</b>	<b>67,930.14</b>	<b>71,950.95</b>	<b>50,607.87</b>	<b>56,203.90</b>



Long - Term loans comprise

Consolidated financial statement				
Dec 31, 15		Dec 31, 14		
Foreign currencies	Million Baht	Foreign currencies	Million Baht	
Unit : million		Unit : million		
<b>Local sources secured by the Ministry of Finance:</b>				
<b>EGAT bonds</b>				
Fixed rate due within 2015 - 2020	-	2,000.00	-	5,000.00
		2,000.00		5,000.00
<b>Local sources unsecured by the Ministry of Finance:</b>				
<b>Ministry of Finance loans</b>				
Fixed rate due within 2015 - 2027	-	73.35	-	78.50
<b>EGAT bonds</b>				
Fixed rate due within 2015 - 2033	-	53,300.00	-	58,100.00
<b>Debenture</b>				
Fixed rate due within 2015 - 2022	-	1,998.06	-	721.33
<b>Other financial institutions</b>				
Floating rate due within 2015 - 2018	-	69.86	-	99.81
Fixed rate due in 2016	-	1,200.00	-	1,200.00
		56,641.27		60,199.64
<b>Foreign sources secured by the Ministry of Finance:</b>				
<b>Loans</b>				
<b>Euro:</b>				
Fixed rate due within 2015 - 2037	20.58	819.12	27.31	1,102.12
		819.12		1,102.12
<b>Foreign sources unsecured by the Ministry of Finance:</b>				
<b>Loans</b>				
<b>AUD Dollars:</b>				
Floating rate due in 2015	-	-	20.00	505.09
<b>Debenture</b>				
<b>Japanese Yen:</b>				
Fixed rate due in 2026	15,000.00	4,481.78	15,000.00	4,112.27
<b>Dollars:</b>				
Fixed rate due in 2019	300.00	10,802.51	300.00	9,859.82
		15,284.29		14,477.18
Total		74,744.68		80,778.94
Less: Current portion of long - term loans		(6,814.54)		(8,827.99)
Balance		67,930.14		71,950.95



As at December 31, 2015 and 2014, the fee of subsidiaries for advance financing is in the amount of Baht 22.50 million and Baht 32.61 million respectively from loan of AUD Dollars 100 million for the period from the year 2013 to 2018. In 2014, the company intends to exercise its right to such loans, thus it still shows the offset against long - term loans payable as a whole. In 2015, EGAT has not drawn down such loan.

Separate financial statement				
Dec 31, 15		Dec 31, 14		
Foreign currencies	Million Baht	Foreign currencies	Million Baht	
Unit : million		Unit : million		
<b>Local sources secured by the Ministry of Finance:</b>				
<b>EGAT bonds</b>				
Fixed rate due within 2015 - 2020	-	2,000.00	-	5,000.00
		2,000.00		5,000.00
<b>Local sources unsecured by the Ministry of Finance:</b>				
<b>Ministry of Finance loans</b>				
Fixed rate due within 2015 - 2027	-	73.35	-	78.50
<b>EGAT bonds</b>				
Fixed rate due within 2015 - 2033	-	53,300.00	-	58,100.00
		53,373.35		58,178.50
<b>Foreign sources secured by the Ministry of Finance:</b>				
<b>Loans</b>				
<b>Euro:</b>				
Fixed rate due within 2015 - 2037	20.58	819.12	27.31	1,102.12
		819.12		1,102.12
Total		56,192.47		64,280.62
<b>Less:</b> Current portion of long - term loans		(5,584.60)		(8,076.72)
<b>Balance</b>		<b>50,607.87</b>		<b>56,203.90</b>

As at December 31, 2015 and 2014, long - term loans can be classified by interest rate as follows:

Unit : Million Baht				
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Floating rate	69.86	99.81	-	-
Fixed rate	74,674.82	80,679.13	56,192.47	64,280.62
Total	74,744.68	80,778.94	56,192.47	64,280.62

Interest rate of long - term loans as at December 31, 2015 are as follows:

	<u>Consolidated financial statement</u>	<u>Separate financial statement</u>
EGAT bonds - local sources		
- Guaranteed by the Ministry of Finance	6.970% to 7.380%	6.970% to 7.380%
- The Ministry of Finance does not guarantee.	3.240% to 6.235%	3.240% to 6.235%
Loans - local sources		
- The Ministry of Finance does not guarantee.	3.000% to 4.600%	3.000% to 3.000%
Loans - foreign sources		
- Guaranteed by the Ministry of Finance	0.750% to 8.000%	0.750% to 8.000%
Debenture		
- The Ministry of Finance does not guarantee.	2.720% to 3.500%	

## 6.19 Finance Leases Liabilities - Power plants

Unit : Million Baht

	<u>Consolidated financial statement</u>					
	<u>Current portion</u>		<u>Non - current portion</u>		<u>Total</u>	
	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>
Finance leases liabilities	48,090.08	32,611.70	583,422.82	335,119.91	631,512.90	367,731.61
Less : Deferred interest expenses	(33,513.13)	(22,389.77)	(332,822.06)	(198,724.64)	(366,335.19)	(221,114.41)
Net	<u>14,576.95</u>	<u>10,221.93</u>	<u>250,600.76</u>	<u>136,395.27</u>	<u>265,177.71</u>	<u>146,617.20</u>

Unit : Million Baht

	<u>Separate financial statement</u>					
	<u>Current portion</u>		<u>Non - current portion</u>		<u>Total</u>	
	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>
Finance leases liabilities	55,786.43	41,052.99	626,956.18	386,277.87	682,742.61	427,330.86
Less : Deferred interest expenses	(38,013.93)	(27,403.46)	(351,360.17)	(221,691.81)	(389,374.10)	(249,095.27)
Net	<u>17,772.50</u>	<u>13,649.53</u>	<u>275,596.01</u>	<u>164,586.06</u>	<u>293,368.51</u>	<u>178,235.59</u>

## 6.20 Employee Benefit Obligations

EGAT's employees will receive retirement benefits under Thai labour law when employees have completed their terms in accordance with agreements between employees and EGAT. Employee benefits liability is a defined benefits obligation calculated by using the projected unit credit method on an actuarial basis. This basis determines the present value of future payments by discounting the future cash flows using the yields on government bonds with a currency and term similar to the estimated term of the benefit obligations. Any expenses related to benefits are recognized in profit or loss in order to attribute benefits to periods of service.



Movement in the present value of the defined benefit obligations is as follows:

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Balance at the beginning (before adjustment)	14,580.47	14,051.25	14,469.21	13,955.72
Retrospective adjustment	(0.68)	(0.59)	-	-
Balance at the beginning (after adjustment)	14,579.79	14,050.66	14,469.21	13,955.72
Current service costs	603.53	587.95	588.17	572.69
Interest on obligations	545.54	533.01	541.17	529.00
Past service costs	115.23	-	115.23	-
Acquired from business combination	-	7.47	-	-
Decrease from business disposal	-	(0.31)	-	-
Actuarial (gain) loss from post-employment				
employee benefit obligation	450.32	(0.10)	451.89	-
Actuarial gain from other long-term				
employee benefits obligation	(1.89)	-	(1.89)	-
Actual payment	(896.19)	(598.53)	(893.80)	(588.20)
Foreign exchange adjustment	(0.07)	(0.36)	-	-
Balance at the end	15,396.26	14,579.79	15,269.98	14,469.21

Expenses recognized in the statements of income and as part of cost of assets / liabilities are shown in the statements of financial position for the year ended December 31, 2015 are as follows:

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Expenses realized in statements of income				
Cost of sales	699.44	624.73	699.44	624.73
Selling expenses	7.77	6.57	7.77	6.57
Administrative expenses	427.93	377.75	408.20	358.48
Total	1,135.14	1,009.05	1,115.41	989.78
Cost of assets / liabilities realized in				
statements of financial position				
Materials and supplies	42.63	39.00	42.63	39.00
Work under construction	83.04	71.53	83.04	71.53
Provision liabilities for mine reclamation	1.60	1.38	1.60	1.38
Total	127.27	111.91	127.27	111.91
Grand Total	1,262.41	1,120.96	1,242.68	1,101.69

Actuarial loss from post - employment benefit obligation recognized in the statements of comprehensive income are as follows:

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Gain from experience adjustments	(522.95)	-	(523.46)	-
Loss from changes in financial assumptions	976.76	-	978.51	-
Gain from changes in demographic assumptions	(3.49)	-	(3.16)	-
Total	450.32	-	451.89	-

Principal actuarial assumptions of EGAT are as follows:

	Annual percentage (%)	
	2015	2014
Discount rate	3.3	3.9
Inflation rate		
Consumer price index	3.0	3.5
Post - employment medical care	10	10
Resignation rate	0.0 - 0.7	0.0 - 0.8
Salary escalation rate	6 - 11	6 - 11
Mortality rate, by table	TMO08	TMO08

(Thai mortality table A.D.2008)(Thai mortality table A.D.2008)

Sensitivity analysis of principal actuarial assumptions used in determining the present value of benefit obligations of EGAT as at December 31, 2015 are as follows:

	Unit : Million Baht	
	Increase (decrease) in present value of the obligation	
	Increase 1%	Decrease 1%
Discount rate	(1,559.34)	1,953.89
Salary increasing rate	898.45	(796.42)
Medical Inflation rate	871.46	(664.20)

Weighted average duration of the benefit obligations of EGAT's group is 18 years.

Due to the differences in operational environment of EGAT's group, including limitations on the estimation of assumptions and sensitivity analysis based on actuarial principles, the principal assumptions and their sensitivity analysis could not be reasonably applied. Thus only EGAT has been presented.



**6.21 Provision Liabilities for Mine Reclamation** are as follows :

	Consolidated financial statement		Separate financial statement	
	Unit : Million Baht			
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Balance at the beginning	2,141.00	2,080.31	2,141.00	2,080.31
Increase during the year	113.58	130.38	113.58	130.38
	2,254.58	2,210.69	2,254.58	2,210.69
<b>Less : Mine reclamation expenses</b>	(78.13)	(64.01)	(78.13)	(64.01)
Depreciation	(7.18)	(5.68)	(7.18)	(5.68)
Balance at the end	2,169.27	2,141.00	2,169.27	2,141.00

**6.22 Other Non - Current Liabilities** comprise

	Consolidated financial statement		Separate financial statement	
	Unit : Million Baht			
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
<b>Deferred Income</b>				
Balance at the beginning	6,576.82	6,359.11	6,576.82	6,379.11
<b>Add : Contribution received</b>	424.60	406.15	424.60	386.15
Asset transferred	174.45	178.65	174.45	178.65
	7,175.87	6,943.91	7,175.87	6,943.91
<b>Less : Recognized to other revenue</b>	(347.19)	(311.01)	(347.19)	(311.01)
Contribution refunded	(3.90)	(54.74)	(3.90)	(54.74)
Decrease in depreciation	(1.34)	(1.34)	(1.34)	(1.34)
Balance at the end	6,823.44	6,576.82	6,823.44	6,576.82
<b>Retention</b>	5,035.94	5,433.33	5,035.94	5,433.33
<b>Cash received from breaking agreement in case of conflict</b>	-	574.12	-	574.12
<b>Others</b>	1,102.06	1,670.75	1,058.77	1,339.65
Total	12,961.44	14,255.02	12,918.15	13,923.92



## 6.23 Owners' Equity

Contribution from The Government comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 15	Dec 31, 14	Dec 31, 15	Dec 31, 14
Contribution for supporting capital	6,507.64	6,507.64	6,507.64	6,507.64
Contribution for supporting construction of the Srinagarind, Bang Lang, Vajiralongkorn, Rajjaprabha and Pak Mun Dam	4,364.75	4,364.75	4,364.75	4,364.75
Less : Accumulated depreciation	(1,932.75)	(1,870.41)	(1,932.75)	(1,870.41)
Depreciation for the period	(62.33)	(62.33)	(62.33)	(62.33)
	2,369.67	2,432.01	2,369.67	2,432.01
Balance	8,877.31	8,939.65	8,877.31	8,939.65

## 6.24 Revenue from Sales of Other Goods and Services comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
Revenue from telecommunication services	340.03	573.19	340.03	573.19
Revenue from fuel providing	11,871.98	18,098.06	12,864.67	19,810.63
Revenue from operation and maintenance services	1,404.32	1,245.62	2,982.64	2,450.18
Others	1,150.78	1,251.79	496.96	551.66
Total	14,767.11	21,168.66	16,684.30	23,385.66

EGAT has the revenue from telecommunication business, which has been approved to operate telecommunication business by The National Telecommunications Commission on March 15, 2007.



#### 6.25 Cost of Electric Energy Sales comprise

Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
Electric energy purchased	320,327.55	308,992.22	320,346.11	309,009.45
Fuel	163,112.45	181,464.10	118,481.20	139,150.67
Generating expenses	34,496.68	34,652.75	29,252.01	29,632.55
Transmission expenses	10,823.31	10,770.07	10,823.31	10,770.07
Total	528,759.99	535,879.14	478,902.63	488,562.74
Finance Leases - Power plants				
Electric energy purchased	(203,699.27)	(196,028.58)	(203,699.27)	(196,028.58)
Fuel	101,644.34	102,339.15	147,015.45	145,313.44
Generating expenses	17,685.62	17,474.76	21,753.69	21,357.21
	(84,369.31)	(76,214.67)	(34,930.13)	(29,357.93)
Total	444,390.68	459,664.47	443,972.50	459,204.81

#### 6.26 Cost of Sales of Other Goods and Services comprise

Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
Cost of telecommunication services	19.31	29.83	19.31	29.83
Cost of fuel providing	11,871.98	18,098.06	12,864.67	19,810.63
Cost of operation and maintenance services	769.28	904.08	1,808.65	1,721.58
Others	387.32	448.75	275.79	308.88
Total	13,047.89	19,480.72	14,968.42	21,870.92

EGAT recorded cost of telecommunication services to dual with revenue from telecommunication services since March 15, 2007 that EGAT has received the approval to operate telecommunication business by The National Telecommunications Commission. However, cost of telecommunication services excludes selling expense, administrative expense and finance cost, which each of expenses is shown in each of categories of expenses in statements of income.

## 6.27 Other Revenues comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
Interest income	1,810.72	1,973.40	1,392.46	1,666.56
Dividend income	269.42	235.95	2,389.97	2,317.26
Profit on disposal of assets	119.92	277.41	-	277.61
Gain on foreign exchange	-	1,045.56	-	675.37
Gain on changes in the fair value				
of derivatives	140.63	107.62	140.63	107.62
Contribution income	347.19	303.14	347.19	303.14
Gain on sale of investment	1.73	-	-	-
Fine income	383.76	372.50	383.76	372.49
Income on disposal of fly ash and scrap	383.59	392.80	383.59	392.80
Miscellaneous income	(521.21)	41.01	(521.21)	41.01
Others	464.20	1,823.19	359.40	169.53
Total	3,399.95	6,572.58	4,875.79	6,323.39

In the year 2014, EGAT recognized fine revenue from dispute with Idreco S.P.A. Co., Ltd. in the amount of Baht 235.92 million, that the case is terminated.

## 6.28 Other Expenses comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
Loss on foreign exchange	1,587.42	-	419.76	-
Loss on foreign exchange				
under finance Leases	10,429.12	271.35	10,579.83	276.78
Loss on disposal of assets	-	-	2.53	-
Others	14.06	184.28	14.06	55.32
Total	12,030.60	455.63	11,016.18	332.10



## 6.29 Finance Costs comprise

Unit : Million Baht

Consolidated financial statement				
	Interest expenses	Expenses relating to the loans	Total	
			2015	2014
Capitalized to work under construction	331.55	44.90	376.45	326.08
Finance costs in the statements of income	4,302.58	104.33	4,406.91	4,449.94
Finance costs - Finance Leases	27,290.98	-	27,290.98	21,229.11
	31,593.56	104.33	31,697.89	25,679.05
Total	31,925.11	149.23	32,074.34	26,005.13

Unit : Million Baht

Separate financial statement				
	Interest expenses	Expenses relating to the loans	Total	
			2015	2014
Capitalized to work under construction	331.55	44.90	376.45	326.08
Finance costs in the statements of income	2,958.48	58.18	3,016.66	2,925.83
Finance costs - Finance Leases	32,318.92	-	32,318.92	26,774.34
	35,277.40	58.18	35,335.58	29,700.17
Total	35,608.95	103.08	35,712.03	30,026.25

### 6.30 Share of Profit (Loss) from Investments in Associates comprise

		Unit : Million Baht	
		Consolidated financial statement	
		2015	2014
Electricity Generating Plc.		1,085.85	1,324.65
First Korat Wind Co., Ltd.		109.62	127.77
K.R. Two Co., Ltd.		95.14	109.08
Perth Power Partnership (Kwinana)		80.37	67.15
Nam Ngiep 1 Power Co., Ltd.		38.74	(241.23)
Total		1,409.72	1,387.42





### 6.31 Performance of EGAT

The performance of EGAT in net income of 2015 was Baht 30,780.25 million. EGAT recorded the provision of expenses and liabilities of bonus for employees and directors in the amount of Baht 4,960.08 million for the 2015 financial statements.

In April 2015, the Ministry of Finance approved EGAT to allocate the 2014 net income for bonus payment to the employees and directors in the amount of Baht 4,457.40 million. EGAT recorded the provision of bonus in 2014 in the amount of Baht 4,537.55 million so, EGAT recorded the high difference of the provision of bonus in the amount of Baht 80.15 million, that brought about to decrease the expenses in the year 2015.

### 6.32 Expenses by Nature comprise

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	2015	2014	2015	2014
Electric energy purchased	116,628.28	112,963.64	116,646.84	112,980.87
Work performed by the entity and capitalized	(30,508.00)	(23,064.59)	(30,508.00)	(23,064.59)
Raw materials and consumables used	169,463.14	183,837.61	125,151.63	142,830.78
Fuel - Finance leases	101,644.34	102,339.15	147,015.45	145,313.44
Management's remunerations	347.51	349.98	148.40	140.65
Employee benefit expenses	29,174.69	28,493.33	28,622.21	27,957.42
Depreciation of property, plant and equipment	25,311.72	25,614.53	24,262.93	24,501.24
Depreciation of finance leases assets	13,164.67	11,336.18	13,164.67	11,336.18
Amortization of intangible assets	516.67	547.24	231.91	231.38
Hire and maintenance expenses	10,543.91	8,334.11	9,168.77	6,766.02
Other expenses	50,048.51	45,935.95	51,154.55	47,224.83
Total	486,335.44	496,687.13	485,059.36	496,218.22



## 7. Power Development Fund

The legislation of Energy Industry Act B.E.2550, which shall come into effect on December 11, 2007, determined to set up the power development fund to support extensive electricity service provision to various localities and to develop the local communities affected by the operation of a power plant. Anyhow, Energy Regulatory Commission (ERC) has power and duty to manage the fund, ERC declared about delivery the money to the power development fund for electricity industry licensees in type of license B.E.2553 which determines electricity industry licensees shall deliver the money to the fund in 2 periods as follows:

1. During the power plant construction from the date starting from the conducting of the construction in accordance with the contract for services and comply with the electricity industry licenses until the commercial operation date (COD) and have to deliver annually by calculating the money from estimate of installed capacity of power plant at the rate of Baht 50,000 per megawatt per year. In case of the construction is less than 1 year, EGAT has to deliver the money in accordance with percentage of month which construction had been conducted but it must not be less than Baht 50,000 per year.

2. During electricity generating the date starting from the commercial operation date, EGAT has to deliver monthly by calculating the money based on electric energy produced for sales and internal use which exclude electric energy using in production process in station service. It was separated by the types of fuels using in generating power such as natural gas, fuel oil, diesel, coal, lignite etc.

In 2014 ERC declared about the remittance to the power development fund for electricity industry licensees, as follows:

1. The announcement on the remittance to the power development fund for electricity industry licensees to support the use of renewable energy and the technology used in the operation of electricity industry with less environmental impact B.E.2557, which requires licensees to remit to the power development fund based on the electricity charged to consumers at the rate of Baht 0.005 per net unit sold in the billing month;





2. The announcement on the remittance to the power development fund for electricity industry licensees to support society and people to have knowledge, awareness and participation in the electricity B.E. 2557, which requires the licensees to remit to the power development fund based on the electricity charged to consumers at the rate of Baht 0.002 per net unit sold in the billing month.

EGAT had contribution provision for the power development fund which can be categorized as follows:

1. The power plant of EGAT including both under construction and declared commercial operation power plants for the years ended December 31, 2015 and 2014 in the amount of Baht 878.31 million and Baht 947.71 million respectively;

2. The supporting of using renewable energy and the technology used in the operation of electricity industry with less environmental impact for the year ended December 31, 2015 in the amount of Baht 10.43 million; and

3. The supporting society and people with knowledge, awareness and participation in the electricity for the year ended December 31, 2015 in the amount of Baht 4.17 million.

## 8. Contingent Asset

### Power Purchase Agreement of Power Plant Project, Nam Theun 2 and Nam Ngum 2

From the year 2010, EGAT entered into the Power Purchase Agreement with Lao People's Democratic Republic (Lao PDR) of Nam Theun 2 power plant project and Nam Ngum 2 power plant project. The power purchase guarantee in accordance with annual supply target specified that in case of the power plants have supply excess, they don't charge EGAT for the excess. However, the excess will be accumulated to set off in the following year when the power plants have lower supply than annual supply target (supply shortfall). On the other hand, if EGAT has dispatch shortfall, the power plants will charge in the amount of the buying guarantee of EGAT whereas EGAT has to pay in advance and be able to receive amount of energy at a later month to make up the dispatch.

In case of EGAT accepts the supply excess, EGAT is able to apply the amount accumulated to set off. During the agreement period, if it has no supply shortfall, EGAT will pay for accrued electricity expense for supply excess with the excess electricity rate which is less than normal electricity rate (Baht 0.57 for Nam Theun 2 power plant project and Baht 1.145 for Nam Ngum 2 power plant project) at the end of the period. Period of Nam Theun 2 power plant ends at 13<sup>th</sup> anniversary from March 8, 2010 and period of Nam Ngum 2 power plant ends 10<sup>th</sup> anniversary from running the machinery. However, both of the projects have to include period of time extended because of unpredictable events.

Besides, EGAT will get the refund 25% of accrued electricity expense which paid at the end of the period. It calculates by accumulated supply excess plus excess energy or excess revenue less accumulated dispatch shortfall. At this time, EGAT is not able to estimate because there is no certainty about amount of contingent assets.





## **9. Contingent Liabilities**

As at December 31, 2015, contingent liabilities excluded from the separate financial statements, are the calling for EGAT to pay additional compensation, which are the Civil Court judged that EGAT was liable for the additional payment of 53 lawsuits in the amount of Baht 77.04 million in case of calling for compensation of land rights, Infringement, breach of contract and relating to employment.

## **10. Commitments**

### **10.1 Long - Term Power Purchase Agreements**

As a result of the government's policy on decreasing the government's investment burden and encouraging private sector to be involved in the power generation industry, the Government approved an investment program for the power generation in new project by private sector (Independent Power Producers known as IPPs) who will sell power to EGAT.

As at December 31, 2015, EGAT has entered into 83 Power Purchase Agreements which can be divided by 2 categories as follows:

(1) Long - term power purchase agreements with hydro power plants - Capability to generate electricity of the power plants shall depend on water level in the dam and production plan of each power plant. Therefore, EGAT the obligation of the electricity generated by hydro power plants cannot be estimated reliably. Nowadays, EGAT has 7 electric power purchase agreements with hydro power plants which consist of Theun Hinboun power plant, Houay Ho power plant, Nam Theun 2 power plant, Nam Ngum 2 power plant, Xaiyaburi power plant, Xe - Pien Xe - Nam Noy power plant and Nam Ngiep 1 power plant.

(2) Long - term power purchase agreements from thermal power plants and combined - cycle power plants - At present, EGAT has 76 power purchase agreements from thermal power plants and combined - cycle power plants that total commitments to the end of all contracts amounting to approximately Baht 5,551,649 million and total production capacity of 13,048 megawatts.

Power producers	Company	Capacity (megawatt)	Remaining life		Amount (Million Baht)	Availability	Energy
			of contract			payment (AP)	payment (EP)
				(years)			(Million Baht)
Independent Power Producers (IPPs)							
Khanom Electricity Generating Company Limited (KEGCO)							
- Unit 4	1	930	26	(2016-2041)	414,161	83,070	331,091
Gulf SRC Company Limited (GSRC)	1	2,500	27	(2021-2047)	1,029,919	217,008	812,911
Gulf PD Company Limited (GPD)	1	2,500	27	(2023-2049)	1,031,940	218,261	813,679
Small Power Producers (SPPs)	73	7,118	2-26 Years		3,075,629	637,413	2,438,216
Total	76	13,048			5,551,649	1,155,752	4,395,897



## **10.2 Fuel Purchase Agreements**

EGAT has entered to 4 natural gas purchase agreements for power plant with PTT Public Company Limited. The agreement remaining amount is Baht 263,862 million, which the details are as follows:

1. Natural gas purchase agreement for power plants of EGAT in the amount of Baht 1,316,452 million was signed on November 7, 1996 and had been enforced since November 7, 1996 - December 31, 2015. This agreement covered the sale of natural gas to all the power plants of EGAT, exclude the power plants mentioned No.2 of this contract. Nevertheless, it was ended on December 31, 2015. Currently, the detail of new agreement is under consideration, so it has to be temporary extended this agreement for one year. Thus this agreement will be ended on December 31, 2016 with expanded amount of Baht 41,709 million; and

2. Natural gas purchase agreements for Lankrabue, Nam Phong and Chana power plants are made separately into 3 agreements with the remaining years of agreements between 8.5 months to 16 years and 8 months. The total amount remaining of these agreements are Baht 222,153 million.

## **10.3 Hire - Purchase Agreements**

EGAT has entered to the local and foreign hire - purchase agreements, which the details are as follows:

**10.3.1** There are 347 agreements of local hire - purchase agreements and their amount as contract is Baht 49,537.96 million with the remaining life of contract in 0.5 month to 9 years and 11.5 months. The rest of amount as contract is approximately Baht 20,619.89 million.

**10.3.2** There are 211 agreements of foreign hire - purchase agreements and their amount as contract is Baht 127,953.37 million. Some contracts have the remaining life of contract in 0.5 month to 10 years and 6 months and some contracts are not indicated the contract period. The rest of amount as contract from the conversion of foreign currency under the average buying and selling exchanged rate on December 31, 2015, which announced by the Bank of Thailand was approximately Baht 59,834.77 million.





#### **10.4 Letter of Credit**

On December 31, 2015, EGAT has unused letter of credit, which are not expired amounting to approximately Baht 13,144.64 million.

#### **10.5 Share Pledge Contract**

Since August 15, 2014, a subsidiary has pledged share of its associates as guarantee for loan in order to support the operation of such associates, according to the credit condition of financial institutions with Bangkok Bank Public Company Limited (as representative in accordance with the collateral of the Laos law, who has the power to act representing guaranteed creditors). This pledge is redeemable when there is full payment to all guaranteed creditors.

### **11. Disclosure of Financial Instruments**

EGAT uses the financial instruments to decrease uncertainty from uncontrollable outside factors. The main derivative financial instrument was forward foreign exchange contracts.

#### **11.1 Forward Foreign Exchange Contracts**

EGAT has conducted a forward foreign exchange contracts to mitigate the risk of fluctuations in foreign exchange rate associated with foreign loan repayment, the electric energy purchased from foreign countries, goods and services. Forward foreign exchange contracts are contracts to buy foreign currency at a pre - agreed exchange rate on a specified future time and are not realized in the financial statements on the contract date.

As at December 31, 2015, EGAT has no remaining forward foreign exchange contract.





## 11.2 Fair Value of Financial Assets and Liabilities

As at December 31, 2015 and 2014, fair value and book value of financial assets and liabilities are as follows:

Unit : Million Baht					
	Book Value	Consolidated financial statement			
		Fair Value			Total
		Level 1	Level 2	Level 3	
As at December 31, 2015					
Current					
Held for trading securities	418.30	418.30	-	-	418.30
Current portion of long - term local loans	(6,635.24)	-	(6,762.06)	-	(6,762.06)
Current portion of long - term local loans (EGATIF)	(414.48)	(414.48)	-	-	(414.48)
Current portion of long - term foreign loans	(179.30)	-	(242.23)	-	(242.23)
Non - Current					
Infrastructure fund (EGATIF)	5,370.16	5,370.16	-	-	5,370.16
Equity securities available for sale	4,270.19	4,270.19	-	-	4,270.19
Long - term local loans	(50,007.97)	-	(55,065.51)	-	(55,065.51)
Long - term local loans (EGATIF)	(20,440.52)	(20,440.52)	-	-	(20,440.52)
Long - term foreign loans	(639.82)	-	(570.23)	-	(570.23)
Debentures	(17,282.35)	-	(17,978.78)	-	(17,978.78)
Contracts					
Forward contracts	-	-	1.08	-	1.08
Interest rate swap and cross currency swap contracts	-	-	(3,927.01)	-	(3,927.01)

Unit : Million Baht					
	Book Value	Separate financial statement			
		Fair Value			Total
		Level 1	Level 2	Level 3	
As at December 31, 2015					
Current					
Current portion of long - term local loans	(5,405.30)	-	(5,507.00)	-	(5,507.00)
Current portion of long - term local loans (EGATIF)	(414.48)	(414.48)	-	-	(414.48)
Current portion of long - term foreign loans	(179.30)	-	(242.23)	-	(242.23)
Non - Current					
Infrastructure fund (EGATIF)	5,370.16	5,370.16	-	-	5,370.16
Long - term local loans	(49,968.05)	-	(55,025.59)	-	(55,025.59)
Long - term local loans (EGATIF)	(20,440.52)	(20,440.52)	-	-	(20,440.52)
Long - term foreign loans	(639.82)	-	(570.23)	-	(570.23)

Unit : Million Baht

	Consolidated financial statements		Separate financial statement	
	Fair value	Book value	Fair value	Book value
<b>As at December 31, 2014</b>				
<b>Current</b>				
Held for trading securities	435.85	435.85	-	-
Current portion of long - term local loans	(7,955.70)	(7,835.09)	(7,925.76)	(7,805.15)
Current portion of long - term foreign loans	(306.31)	(271.57)	(306.31)	(271.57)
Debentures	(729.84)	(721.33)	-	-
<b>Non - Current</b>				
Equity securities available for sale	3,575.43	3,575.43	-	-
Long - term local loans	(61,554.91)	(56,643.22)	(60,256.57)	(55,373.35)
Long - term foreign loans	(795.69)	(830.55)	(795.69)	(830.55)
Debentures	(14,473.29)	(13,972.09)	-	-
<b>Contracts</b>				
Forward foreign exchange contracts	0.59	-	-	-
Interest rate swap and				
cross currency swap contracts	4,638.94	-	-	-

## Financial instruments carried at fair value

### Fair value hierarchy

The table above analyses recurring fair value measurements for financial assets and liabilities. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

EGAT determines Level 2 fair values for short-term and long - term loans, derivatives financial instruments and also fixed interest rate bonds by calculating the present value of the estimated cash flow, which based on the nearby term discount rate. Forward foreign exchange contracts, interest rate swap and cross currency swap contracts are calculated by financial institutions, which are contractor of EGAT.